

EVANS BAY INTERMEDIATE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 2837

Principal: Louise Bray- Burns

School Address: 14A Kemp Street
Wellington
P O Box 14084, Kilbirnie, Wellington

School Postal Address:

School Phone: 04-387-1071

School Email: office@ebis.school.nz

Members of the Board of Trustees

Position	Name	Term expires	Resigned
Chair Person	Shelly Reet	30-May-22	19-Oct-20
Principal ex Officio	Louise Bray-Burns		
Chair Person	Tracey Piper	30-May-22	
Parent Rep	Lynda McGregor	30-May-22	03-Aug-20
Parent Rep	Sam Hoben	30-May-22	
Parent Rep	Tim John	30-May-22	
Parent Rep	Lynley Thomas	May-22	
Staff Rep	Elize Maritz	May-22	

Accountant / Service Provider:

Davidson Dickson Ltd

EVANS BAY INTERMEDIATE

Annual Report - For the year ended 31 December 2020

Index

Page	Statement
	Financial Statements
<u>1</u>	Statement of Responsibility
<u>2</u>	Statement of Comprehensive Revenue and Expense
<u>3</u>	Statement of Changes in Net Assets/Equity
<u>4</u>	Statement of Financial Position
<u>5</u>	Statement of Cash Flows
<u>6 - 12</u>	Statement of Accounting Policies
<u>13-22</u>	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

EVANS BAY INTERMEDIATE

Statement of Responsibility

For the year ended 31 December 2020

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

Tracey Pitzer

Full Name of Board Chairperson

Wikus Swanepoel

Full Name of Principal

[Signature]

Signature of Board Chairperson

[Signature]

Signature of Principal

28/5/2021

Date:

28/5/2021

Date:

EVANS BAY INTERMEDIATE**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	3,656,956	3,516,438	3,245,180
Locally Raised Funds	3	139,443	20,500	261,790
Interest income		6,338	5,000	12,247
International Students	4	35,740	20,000	74,901
		<u>3,838,477</u>	<u>3,561,938</u>	<u>3,594,118</u>
Expenses				
Locally Raised Funds	3	75,412	-	114,295
International Students	4	10,829	-	18,130
Learning Resources	5	2,195,756	2,249,032	2,036,037
Administration	6	165,899	209,050	187,950
Finance		5,543	-	5,742
Property	7	946,495	995,401	975,689
Depreciation	8	102,814	80,000	82,424
Loss on Disposal of Property, Plant and Equipment		-	-	4,585
		<u>3,502,748</u>	<u>3,533,483</u>	<u>3,424,852</u>
Net Surplus / (Deficit) for the year		335,729	28,455	169,266
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>335,729</u></u>	<u><u>28,455</u></u>	<u><u>169,266</u></u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

EVANS BAY INTERMEDIATE

Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	9	285,360	307,740	193,627
Accounts Receivable	10	205,350	125,000	131,629
GST Receivable		-	-	12,405
Prepayments		6,209	3,000	30,014
Investments	11	609,089	350,000	352,180
Funds due for Capital Works Projects	17	5,910	-	63,182
		<u>1,111,898</u>	<u>785,740</u>	<u>783,037</u>
Current Liabilities				
GST Payable		1,194	-	-
Accounts Payable	13	209,083	155,054	152,825
Revenue Received in Advance	14	16,400	20,000	40,884
Provision for Cyclical Maintenance	15	7,200	23,000	23,000
Finance Lease Liability - Current Portion	16	26,686	15,000	27,368
Funds held for Capital Works Projects	17	60,842	-	14,675
		<u>321,405</u>	<u>213,054</u>	<u>258,753</u>
Working Capital Surplus/(Deficit)		790,493	572,686	524,284
Non-current Assets				
Property, Plant and Equipment	12	558,024	523,533	536,533
		<u>558,024</u>	<u>523,533</u>	<u>536,533</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	44,444	87,333	69,333
Finance Lease Liability	16	12,912	25,000	36,052
		<u>57,356</u>	<u>112,333</u>	<u>105,385</u>
Net Assets		<u>1,291,161</u>	<u>983,886</u>	<u>955,432</u>
Equity	23	<u>1,291,161</u>	<u>983,886</u>	<u>955,432</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes which form part of these financial statements.

EVANS BAY INTERMEDIATE**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		<u>955,432</u>	<u>955,431</u>	<u>786,165</u>
Total comprehensive revenue and expense for the year		335,729	28,455	169,266
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		-	-	-
Equity at 31 December	23	<u>1,291,161</u>	<u>983,886</u>	<u>955,432</u>
Retained Earnings		1,291,161	983,886	955,432
Equity at 31 December		<u>1,291,161</u>	<u>983,886</u>	<u>955,432</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

EVANS BAY INTERMEDIATE

Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		987,210	760,406	763,584
Locally Raised Funds		103,144	20,500	229,855
International Students		4,855	40,000	83,542
Goods and Services Tax (net)		13,596	-	14,467
Payments to Employees		(335,206)	(416,673)	(298,668)
Payments to Suppliers		(381,575)	(423,612)	(561,887)
Cyclical Maintenance Payments in the year		-	12,778	-
Interest Paid		(5,543)	-	(5,742)
Interest Received		6,826	5,000	11,910
Net cash from Operating Activities		393,311	(1,601)	237,061
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	-	(4,585)
Purchase of PPE (and Intangibles)		(123,198)	320,020	(239,094)
Purchase of Investments		(256,889)	(100,000)	(99,047)
Net cash from Investing Activities		(380,087)	220,020	(342,726)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	-
Finance Lease Payments		(24,929)	7,600	2,530
Funds Held for Capital Works Projects		103,438	-	(10,619)
Net cash from Financing Activities		78,509	7,600	(8,089)
Net increase/(decrease) in cash and cash equivalents		91,733	226,019	(113,753)
Cash and cash equivalents at the beginning of the year	9	193,627	81,721	307,380
Cash and cash equivalents at the end of the year	9	285,360	307,740	193,627

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

The above Cash Flow Statement should be read in conjunction with the accompanying notes which form part of these financial statements..

EVANS BAY INTERMEDIATE

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Evan Bay Intermediate School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes."

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial Reporting Standards Applied

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as 'having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders'.

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Cyclical Maintenance

The School recognises its obligation to maintain the Ministry's buildings in a good state to repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 year Property Planning process. During the year, the board assesses the reasonableness of its 10 year property plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

e) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

f) Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

h) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

i) Inventories

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

j) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

k) Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

Gains and losses on disposals (*i.e.* sold or given away) are determined by comparing the proceeds received with the carrying amounts (*i.e.* the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10 years
Furniture and equipment	5-10 years
Information and communication technology	3-5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3-5 years term of lease
Library resources	12.5% Diminishing value

l) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

m) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

n) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

o) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

p) Revenue Received in Advance

Revenue received in advance relates to fees received from international students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

q) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

s) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

t) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

u) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

Borrowings include but not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

v) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

x) Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	783,790	763,928	679,086
Teachers' Salaries Grants	1,937,854	1,937,854	1,771,722
Use of Land and Buildings Grants	748,290	748,290	709,874
Resource Teachers Learning and Behaviour Grants	1,419	-	1,136
Other MoE Grants	159,579	66,366	73,727
Other Government Grants	26,024	-	9,633
	3,656,956	3,516,438	3,245,180

The school has opted in to the donations scheme for this year. Total amount received was \$65,250.

Other MOE Grants total includes additional COVID-19 funding totalling \$36,503 for the year ended 31 December 2020.

3. Locally Raised Funds

Local funds raised within the School's community are made up of:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Donations	6,092	2,000	34,800
Bequests & Grants	10,000	-	48,304
Activities	45,258	-	118,628
Trading	333	500	356
Fundraising	75,898	17,500	52,456
Other Revenue	1,862	500	7,246
	139,443	20,500	261,790
Expenses			
Activities	41,941	-	103,078
Trading	461	-	832
Fundraising (Costs of Raising Funds)	33,010	-	10,385
	75,412	-	114,295
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	64,031	20,500	147,496

4. International Student Revenue and Expenses

	2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
International Student Roll	4	4	0
	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
International Student Fees	35,740	20,000	74,901
Expenses			
Commissions	4,678	-	7,266
Recruitment	2,071	-	3,857
International Student Levy	1,036	-	196
Employee Benefit - Salaries	158	-	-
Other Expenses	2,886	-	6,810
	10,829	-	18,130
<i>Surplus/ (Deficit) for the year International Students'</i>	24,911	20,000	56,771

5. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	31,526	92,000	61,600
Equipment Repairs	576	-	-
Information and Communication Technology	12,591	19,500	12,640
Library Resources	665	2,000	2,241
Employee Benefits - Salaries	2,120,694	2,108,427	1,920,624
Staff Development	29,704	27,105	38,932
	2,195,756	2,249,032	2,036,037

6. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	7,830	7,600	7,602
Board of Trustees Fees	3,940	4,500	2,751
Board of Trustees Expenses	15,196	19,000	27,607
Communication	11,893	25,100	14,017
Consumables	7,560	24,500	13,884
Legal Fees	477	-	680
Other	9,702	11,850	7,731
Employee Benefits - Salaries	97,019	99,500	96,344
Insurance	2,782	7,500	7,753
Service Providers, Contractors and Consultancy	9,500	9,500	9,581
	165,899	209,050	187,950

7. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	23,044	14,000	25,796
Consultancy and Contract Services	81,642	62,574	77,980
Cyclical Maintenance Provision	(40,689)	18,000	30,778
Grounds	3,267	9,500	6,415
Heat, Light and Water	32,210	40,000	31,780
Rates	2,970	3,500	3,017
Repairs and Maintenance	25,939	36,437	32,133
Use of Land and Buildings	748,290	748,290	709,874
Security	6,460	6,000	10,335
Employee Benefits - Salaries	63,362	57,100	47,581
	<u>946,495</u>	<u>995,401</u>	<u>975,689</u>

The use of land and buildings figure represents 8% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	2,508	-	2,508
Furniture and Equipment	67,575	80,000	44,809
Information and Communication Technology	17,127	-	19,184
Leased Assets	14,457	-	14,638
Library Resources	1,147	-	1,285
	<u>102,814</u>	<u>80,000</u>	<u>82,424</u>

9. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	281	-	169
Bank Current Account	217,406	220,407	95,010
Bank Call Account	77	-	977
International Student Saver	67,596	87,333	97,471
Cash and cash equivalents for Cash Flow Statement	<u>285,360</u>	<u>307,740</u>	<u>193,627</u>

The carrying value of short-term deposits with maturity dates of 90 days or less approximates their fair value.

10. Accounts Receivable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	36,628	5,000	10,329
Interest Receivable	217	-	706
Banking Staffing Underuse	-	-	-
Teacher Salaries Grant Receivable	168,506	120,000	120,594
	<u>205,350</u>	<u>125,000</u>	<u>131,629</u>
Receivables from Exchange Transactions	36,845	5,000	11,035
Receivables from Non-Exchange Transactions	168,506	120,000	120,594
	<u>205,350</u>	<u>125,000</u>	<u>131,629</u>

11. Investments

The School's investment activities are classified as follows:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	609,069	350,000	352,180
	<u>609,069</u>	<u>350,000</u>	<u>352,180</u>
Total Investments			

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	26,532				(2,508)	24,024
Furniture and Equipment	422,058	120,862			(67,575)	475,345
Information and Communication	41,368	1,477			(17,127)	25,718
Textbooks	-				-	-
Leased Assets	37,383	1,108			(14,457)	24,034
Library Resources	9,192	858			(1,147)	8,903
Balance at 31 December 2020	536,533	124,305	-	-	(102,814)	558,024

During 2020 the school purchased a pump track which is disclosed in furniture and equipment.

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	96,652	(72,628)	24,024
Furniture and Equipment	897,742	(422,397)	475,345
Information and Communication	136,966	(111,248)	25,718
Leased Assets	60,155	(36,121)	24,034
Library Resources	68,051	(59,148)	8,903
Balance at 31 December 2020	1,259,566	(701,542)	558,024

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	29,040	-	-	-	(2,508)	26,532
Furniture and Equipment	255,883	211,254	(270)	-	(44,809)	422,058
Information and Communication					(19,184)	41,368
Technology	60,832	-	(280)	-	-	
Leased Assets	22,783	31,311	(2,073)	-	(14,638)	37,383
Library Resources	11,015	180	(718)	-	(1,285)	9,192
Balance at 31 December 2019	379,553	242,745	(3,341)	-	(82,424)	536,533

During 2019 the school purchased a outdoor bike track which is shown under furniture and equipment

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	96,652	(70,120)	26,532
Furniture and Equipment	783,253	(361,195)	422,058
Information and Communication Technology	136,693	(95,325)	41,368
Leased Assets	59,047	(21,664)	37,383
Library Resources	67,192	(58,001)	9,192
Balance at 31 December 2019	1,142,837	(606,305)	536,533

13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	22,810	19,554	22,866
Accruals	6,330	5,000	6,102
Employee Entitlements - Salaries	173,957	127,500	120,594
Employee Entitlements - Leave Accrual	5,986	3,000	3,263
	<u>209,083</u>	<u>155,054</u>	<u>152,825</u>
Payables for Exchange Transactions	209,083	155,054	152,825
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>209,083</u>	<u>155,054</u>	<u>152,825</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020 Actual \$	2020 (Unaudited) \$	2019 Actual \$
Grants in Advance - Ministry of Education	16,400	-	-
International Student Fees	-	20,000	30,884
Other	-	-	10,000
	<u>16,400</u>	<u>20,000</u>	<u>40,884</u>

15. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Provision at the Start of the Year	92,333	92,333	61,555
Increase/ (decrease) to the Provision During the Year	(40,689)	18,000	30,778
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>51,644</u>	<u>110,333</u>	<u>92,333</u>
Cyclical Maintenance - Current	7,200	23,000	23,000
Cyclical Maintenance - Term	44,444	87,333	69,333
	<u>51,644</u>	<u>110,333</u>	<u>92,333</u>

16. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	26,686	-	27,368
Later than One Year and no Later than Five Years	12,912	-	36,052
Later than Five Years	-	-	-
	<u>39,598</u>	<u>-</u>	<u>63,420</u>

17. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Block A heating	<i>completed</i>	12,814		(12,814)		-
Staffroom Extension	<i>completed</i>	(57,271)	56,800	(2,497)	(2,968)	-
Switchboards	<i>in progress</i>	20				20
Block C upgrade		1,841				1,841
Storm Water 2020	<i>in progress</i>	(5,910)				(5,910)
Toilet roof 2020	<i>in progress</i>	-	87,250	(30,222)		57,028
LSM Toilet	<i>in progress</i>	-	33,508	(31,555)		1,953
Totals		<u>(48,507)</u>	<u>177,558</u>	<u>(77,088)</u>	<u>(2,968)</u>	<u>54,931</u>

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Due from the Ministry of Education

60,842
5,910

54,932

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	Closing Balances \$
Block A heating	<i>in progress</i>	12,814	-	-	12,814
Staffroom Extension	<i>in progress</i>	(41,915)	-	(15,355)	(57,271)
Switchboards	<i>completed</i>	20	-	-	20
Block C upgrade	<i>in progress</i>	(11,274)	18,568	(5,453)	1,841
Visual Awareness	<i>in progress</i>	2,468	-	(2,468)	(0)
Storm water 2020	<i>in progress</i>	-	-	(5,910)	(5,910)
Boller project	<i>in progress</i>	-	15,280	(12,580)	-
Totals		<u>(37,889)</u>	<u>33,848</u>	<u>(32,646)</u>	<u>(48,507)</u>

18. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

19. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy Principals and Heads of Departments.

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	3,940	2,751
Full-time equivalent members	0.13	0.10
<i>Leadership Team</i>		
Remuneration	398,345	361,442
Full-time equivalent members	3	3
Total key management personnel remuneration	402,285	364,193
Total full-time equivalent personnel	3.13	3.10

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	140-150
Benefits and Other Emoluments	20-25	15-20
Termination Benefits	-	-

Other Employees

The number of other employees with remuneration greater than \$100,000 was in the following bands:

Remuneration \$000	2020 FTE Number	2019 FTE Number
100-110	1.00	1.00
120-130	1.00	0.00
	2.00	1.00

The disclosure for 'Other Employees' does not include remuneration of the Principal.

20. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2020 Actual	2019 Actual
Total	-	-
Number of People	-	-

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

22. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board had not entered into any contract agreements for capital works.

As at 31 December 2019:

(a) \$20,000 contract for Fencing stage II to be completed in 2020, which will be fully funded by the Ministry of Education. Nothing has been received as at 31 December 2019. So far \$5,453 has been spent on the project to date; and

(b) \$115,975 contract to have a Trail pro constructed on site. This project is fully funded by the board and \$23,195 has been spent on the project to balance date. This project has been approved by the Ministry.

23. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

24. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Financial assets measured at amortised cost (2018: Loans and receivables)

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Cash and Cash Equivalents	285,360	307,740	193,627
Receivables	205,350	125,000	131,629
Investments - Term Deposits	609,069	350,000	352,180
Total Financial assets measured at amortised cost	1,099,780	782,740	677,436

Financial liabilities measured at amortised cost

Payables	209,083	155,054	152,825
Borrowings - Loans	-	-	-
Finance Leases	39,598	40,000	63,420
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	248,681	195,054	216,245

25. Events After Balance Date

There were no significant events after the balance date that impact these financial statements.

26. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.



BDO Wellington Audit Limited

[INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF EVAN'S BAY INTERMEDIATE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Evan's Bay Intermediate School (the "School"). The Auditor General has appointed me, Henry McClintock, using the staff and resources of BDO Wellington Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 22, that comprise the *statement of financial position as at 31 December 2020*, the *statement of comprehensive revenue and expense*, *statement of changes in net assets/equity* and *statement of cash flows* for the year ended on that date, and *the notes to the financial statements that include accounting policies and other explanatory information*.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at *31 December 2020*; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public sector Public Benefit (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting.

Our audit was completed on 28 May 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.



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Other information

The Board is responsible for the other information. The other information comprises the Analysis of Variance, Board of Trustees Listing and Kiwisport Report, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.

A handwritten signature in black ink, appearing to be 'Henry McClintock', written over a horizontal line.

Henry McClintock
BDO WELLINGTON AUDIT LIMITED
On behalf of the Auditor-General
Wellington, New Zealand

Kiwi Sport Funding Statement 2020

In 2020 Evans Bay Intermediate used the Kiwi Sport funding to increase students participation in organised sport as follows:

- Newtown park rental for athletics day
- Subsidized boxing fees
- Subsidized netball fees
- Subsidized karate fees
- Subsidized participation at WRISSA events
- Purchased of netballs
- Purchased of tennis balls
- Purchased of underwater hockey equipment
- Purchase of mouth guards
- Purchase of a variety of equipment for the PE shed for lunchtime sports

EEO Statement 2020

In 2020 the Evans Bay Intermediate EEO policies were followed and there were no issues that were brought to our attention.

