

TE PUKE INTERMEDIATE SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number: 2015

Principal: Jillian Weldon

School Address: 133 Cameron Road, Te Puke 3119

School Postal Address: 133 Cameron Road, Te Puke 3119

School Phone: 07 573 9352

School Email: admin@tepukeint.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Rebecca Keating	Chair Person	Re-elected	Project Manager	Nov-20
Jill Weldon	Principal ex Officio	Elected	Principal	
Cameron Hill	Parent Rep	Re-elected	General Manager	Nov-20
Rose-Anna Feist	Parent Rep	Elected	Accountant	Jun-22
Wayne Gibbons	Parent Rep	Elected	Production Planner	Jun-22
Nenna Chauhan	Parent Rep	Co-opted	Teacher Aide	Jun-22
Jonelle Crone	Staff Rep	Elected	Teacher	Jun-22

Accountant / Service Provider:

TE PUKE INTERMEDIATE SCHOOL

Annual Report - For the year ended 31 December 2019

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Te Puke Intermediate School

Statement of Responsibility

For the year ended 31 December 2019

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 2019 fairly reflects the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

REBECCA KEATING

Full Name of Board Chairperson



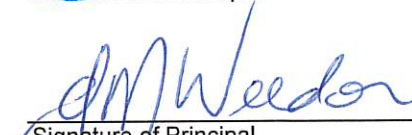
Signature of Board Chairperson

29/05/2020

Date:

Jill Weldon

Full Name of Principal



Signature of Principal

28/5/2020

Date:

Statement of Comprehensive Revenue and Expense

Te Puke Intermediate School
For the year ended 31 December 2019

Account	Notes	TY Actual	TY Budget	LY Actual
Revenue				
Government Grants	2	3,297,593	2,301,955	3,125,944
Locally Raised Funds	3	436,793	400,100	447,119
Investment Income	4	16,132	15,000	18,923
International Students	5	38,943	44,000	24,591
Total Revenue		3,789,461	2,761,055	3,616,577
Expenses				
Locally Raised Funds	3	281,093	273,150	272,148
International Students	5	13,669	20,000	11,437
Learning Resources	6	2,286,071	2,072,869	2,164,388
Administration	7	187,021	202,441	167,987
Finance Costs	8	1,816	600	638
Property	9	921,968	236,885	873,563
Depreciation	10	91,022	82,159	82,979
Total Expenses		3,782,660	2,888,104	3,573,139
Net Surplus (Deficit)		6,801	(127,049)	43,438
Total Comprehensive Revenue and Expense for the Year		6,801	(127,049)	43,438

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.



Statement of Changes in Net Assets/Equity

Te Puke Intermediate School
For the year ended 31 December 2019

Account	TY Actual	TY Budget	LY Actual
Balance at 1 January 2019	951,447	0	908,009
Total comprehensive revenue and expense for the year	6,801	0	43,438
Capital Contributions from the Ministry of Education - Furniture and Equipment Grant		0	0
Equity at 31 December	958,249	0	951,447
Retained Earnings Reserves	958,249	0	951,447
Equity at 31 December	958,249	0	951,447

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.



Statement of Financial Position

Te Puke Intermediate School
As at 31 December 2019

Account	Notes	TY Actual	LY Actual
Current Assets			
Cash and Cash Equivalents	11	919,608	825,434
Accounts Receivable	12	166,670	167,552
GST Receivable		0	30,023
Inventories	13	17,313	13,614
Total Current Assets		1,103,591	1,036,624
Current Liabilities			
Accounts Payable	15	237,085	330,603
Revenue received in Advance	16	19,137	33,653
Provision for Cyclical Maintenance	17	131,657	29,700
GST Payable		14,745	0
Finance Lease Liability- Current Portion	18	15,804	14,919
Funds held for Capital Works Projects	19	105,499	0
Total Current Liabilities		523,927	408,875
Working Capital Surplus or (Deficit)		579,664	627,749
Non-Current Assets			
Property, Plant and Equipment	14	429,062	464,505
Total Non-Current Assets		429,062	464,505
Non-Current Liabilities			
Finance Lease Liability	18	14,379	18,523
Provision for Cyclical Maintenance	17	36,100	118,564
Total Non-Current Liabilities		50,479	137,087
Net Assets		958,248	955,167
Equity			
Equity		958,249	951,447
Total Equity		958,249	951,447

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



Cash Flow Statement

Te Puke Intermediate School

For the year ended 31 December 2019

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash Flows from Operating Activities			
Government Grants	823,027	740,392	740,392
Locally Raised Funds	452,465	429,079	429,079
International Students	10,758	23,024	23,024
Goods and Services Tax (net)	44,768	(41,362)	(41,362)
Payments to Employees	(540,949)	(423,962)	(423,962)
Payments to suppliers	(753,173)	(499,452)	(499,452)
Interest Received	16,154	18,931	18,931
Interest Paid	(1,816)	(638)	(638)
Net cash from / (to) Operating Activities	51,234	246,012	246,012
Cash Flows from Investing Activities			
Purchase of PPE (and Intangibles)	(39,538)	(218,268)	(218,268)
Purchase of Investments	0	0	0
Net cash from / (to) Investing Activities	(39,538)	(218,268)	(218,268)
Cash Flows from Financing Activities			
Finance Lease Payments	(23,021)	(18,567)	(18,567)
Funds Administered on Behalf of Third Parties	105,499	0	0
Net cash from / (to) Investing Activities	82,478	(18,567)	(18,567)
Net increase/(decrease) in cash and cash equivalents	94,174	9,177	9,177
Cash Balances			
Cash and cash equivalents at beginning of period	11	825,434	816,257
Cash and cash equivalents at end of period	11	919,608	825,434
Net change in cash for period	94,174	9,177	9,177

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 omitted.



Notes and Disclosures

Te Puke Intermediate School

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Te Puke Intermediate School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. 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 year ended to 31 December 2019 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 Act 1989 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 PBE Accounting Standards (PBE IPSAS) 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 publically 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. These financial statements are the first set of financial statements presented in accordance with the new PBE accounting standards.

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 14.

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 Schools

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.

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

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 three months 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. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Prior Year Policy

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the

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. Thus the fair value of the inventory is determined based on the cost at time of purchase. The 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.

Prior Year Policy

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on



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 \$450 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.

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

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	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value



l) Intangible Assets

Software costs

Computer software acquired by the School is 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 \$450 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, annual leave earned to but not yet taken at balance date.

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. 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 participating schools within a cluster of schools. 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 Assets and Liabilities

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, funds held on behalf of the Ministry of Education, 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 are recognised at the amount borrowed. 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 the balance date.

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.

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.



Notes and Disclosures

Te Puke Intermediate School

For the year ended 31 December 2019

	2019 Actual	2019 Budget	2018 Actual
2. Government Grants			
Operational Grants	671,792	693,160	628,229
Teachers Salary Grants	1,772,276	1,500,000	1,716,760
Other MOE Grants	119,612	88,185	96,900
Use of Land and Buildings Integrated	702,280	0	668,792
Other Government Grants	24,495	8,610	6,601
Transport Grants	7,138	12,000	8,662
Total Government Grants	3,297,593	2,301,955	3,125,944

3. Locally Raised Funds

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

Surplus for the year Locally raised funds

Revenue			
Fundraising	32,760	27,000	31,002
Bequests and Grants	0	0	35,778
Activities	170,040	236,000	190,612
Donations	18,286	30,000	28,187
Overseas Trip	81,514	4,000	57,417
Trading	134,193	103,100	104,123
Total Revenue	436,793	400,100	447,119
Expenses			
Fundraising (cost of raising funds)	(5,812)	(12,850)	(9,411)
Activities	(101,078)	(116,500)	(115,674)
Overseas Trip Expenses	(76,352)	(60,000)	(57,933)
Trading	(97,851)	(83,800)	(89,131)
Total Expenses	(281,093)	(273,150)	(272,149)
Total Surplus for the year Locally raised funds	155,700	126,950	174,971

Note the Overseas Trip was to Samoa for a cultural and educational experience. This trip was approved by the Board of Trustees and was fully funded by the 17 students and six parents who went. Two staff members went free of charge to lead the group.

4. Investment Income

Interest Received	16,132	15,000	18,923
Total Investment Income	16,132	15,000	18,923

5. International Students

Surplus for the year International Students

Revenue			
International Students Income	38,943	44,000	24,591
Total Revenue	38,943	44,000	24,591
Expenses			
International Student Expenses	(13,669)	(20,000)	(11,437)
Total Expenses	(13,669)	(20,000)	(11,437)
Total Surplus for the year Locally raised funds	25,274	24,000	13,154

2019 = 5 Foreign fee paying students

2018 = 5



	2019 Actual	2019 Budget	2018 Actual
6. Learning Resources			
Curricular	86,890	103,300	93,084
Equipment repairs	0	0	14,965
Information and communication technology	25,475	30,000	27,614
Library resources	4,655	4,500	2,660
Staff development	7,286	7,000	14,899
Employee benefits - salaries	2,161,765	1,928,069	2,011,166
Total Learning Resources	2,286,071	2,072,869	2,164,388
7. Administration			
Audit Fee	5,946	5,000	5,030
Board Of Trustee Fees	4,235	5,060	3,445
Board of Trustees Expenses	15,417	11,000	9,115
Communication	10,246	13,500	9,521
Consumables	3,430	4,600	3,326
Operating Lease	343	17,200	1,721
Other	40,951	42,500	32,118
Employee Benefits - Salaries	101,535	101,581	99,012
Insurance	4,920	2,000	4,699
Total Administration	187,021	202,441	167,987
8. Finance			
Finance Costs	1,816	600	638
Total Finance	1,816	600	638
9. Property			
Caretaking and Cleaning Consumables	37,679	69,885	31,556
Cyclical Maintenance Provision	19,493	0	10,243
Grounds	9,579	11,000	9,243
Heat, Light And Water	47,067	40,000	38,198
Rates	13,988	16,000	15,694
Repairs & Maintenance	23,175	34,000	34,478
Security	7,222	7,000	7,052
Use of Land and Buildings - Non-Integrated	702,280	0	668,792
Employee Benefits - Salaries	61,486	59,000	58,307
Total Property	921,968	236,885	873,563
10. Depreciation			
Buildings and Building Improvements	5,776	1,476	1,695
Furniture and Fittings	30,058	28,787	27,210
Information And Communication Technology	30,391	28,176	27,160
Motor Vehicles	5,243	4,455	5,243
Leased Assets	17,295	17,091	19,308
Library Resources	2,259	2,174	2,362
Total Depreciation	91,022	82,159	82,978



Notes and Disclosures

Te Puke Intermediate School

For the year ended 31 December 2019

	2019 Actual	2019 Budget	2018 Actual
11. Cash and Cash Equivalents			
Net cash and cash equivalents and bank overdraft for Cash Flow Statement			
Bank Current Account	142,799	62,525	62,525
Bank Call Account	268	1,169	1,169
Short term Bank Deposits	776,441	761,640	761,640
Cash on Hand	100	100	100
Total Cash and Cash Equivalents	919,608	825,434	825,434

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value. The school holds \$105,499 in funds on behalf of the MOE for capital works.

12. Accounts Receivable

Accounts Receivable			
Debtors	9,431	23,581	23,581
Interest Accrued	0	22	22
Te Puke Group Mowing Society	9,778	9,778	9,778
Te Puke Transport Network Group	20,138	21,660	21,660
Teacher Salaries Grant Receivable	127,324	112,512	112,512
Total Accounts Receivable	166,670	167,552	167,552
Receivables from Exchange Transactions	9,431	23,603	23,603
Receivables from Non Exchange Transactions	157,240	143,949	143,949
	166,670	167,552	167,552

13. Inventories

Inventories			
Canteen	0	332	332
School Uniforms	15,828	11,659	11,659
Stationery	1,485	1,622	1,622
Total Inventories	17,313	13,614	13,614



14. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$
2019					
Buildings	126,942	0		(5,776)	121,166
Furniture and Equipment	164,807	8,300		(30,058)	143,049
Information and Communication Technology	85,795	35,360		(30,391)	90,764
Motor Vehicles	33,941	0		(5,243)	28,698
Leased Assets	34,948	11,919		(17,295)	29,572
Library Resources	18,073	0		(2,259)	15,814
Balance at 31 December 2019	464,505	55,579	-	(91,022)	429,062

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
Buildings	178,684	(57,518)	121,166
Furniture and Equipment	839,608	(696,558)	143,050
Information and Communication Technology	596,958	(506,194)	90,764
Motor Vehicles	76,960	(48,262)	28,698
Leased Assets	92,152	(62,580)	29,572
Library Resources	82,216	(66,403)	15,813
Balance at 31 December 2019	1,866,578	(1,437,515)	429,063

	Opening Balance (NBV)	Additions	Disposals	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$
2018					
Buildings	12,377	116,260		(1,695)	126,942
Furniture and Equipment	117,934	74,083		(27,210)	164,807
Information and Communication Technology	86,707	26,248		(27,160)	85,795
Motor Vehicles	39,184	0		(5,243)	33,941
Leased Assets	38,214	16,042		(19,309)	34,948
Library Resources	18,757	1,678		(2,362)	18,073
Balance at 31 December 2018	313,173	234,311	-	(82,979)	464,505

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
Buildings	178,684	(51,742)	126,942
Furniture and Equipment	831,308	(666,500)	164,808
Information and Communication Technology	561,598	(475,803)	85,795
Leased Assets	76,960	(43,019)	33,941
Library Resources	80,232	(45,285)	34,947
Plant and Equipment	82,216	(64,144)	18,072
Balance at 31 December 2018	1,810,998	(1,346,493)	464,505



	2019 Actual	2019 Budget	2018 Actual
15. Accounts Payable			
Accounts Payable			
Accruals	4,825	11,767	11,767
Banking Staffing Overuse	27,528	27,528	27,528
Employee Benefits Payable - Leave Accrual	18,141	12,432	12,432
Employee Benefits Payable - Salaries	158,410	137,748	137,746
Operating Creditors	28,180	141,130	141,130
Total Accounts Payable	237,085	330,603	330,603
Payables from Exchange Transactions	237,085	330,603	330,603
Payables from Non Exchange Transactions - Taxes Payable (PAYE and Rates)	0	0	0
Payables from Non Exchange Transactions - Other	0	0	0
	237,085	330,603	330,603

16. Revenue Received in Advance

Revenue Received in Advance			
Income in Advance - International Student Fees	13,913	22,261	22,261
Other	5,225	11,392	11,392
Total Revenue Received in Advance	19,137	33,653	33,653

Account	2019 Actual	2019 Budget	2018 Actual
17. Provision for Cyclical Maintenance			
Provision for Cyclical Maintenance			
Opening Balance	148,264	138,021	138,021
Increase to the Provision During the Year	19,493	10,243	10,243
Total Provision for Cyclical Maintenance	167,757	148,264	148,264
Provision for Cyclical Maintenance			
Cyclical Maintenance - Current	131,657	29,700	29,700
Cyclical Maintenance - Term	36,100	118,564	118,564
Total Provision for Cyclical Maintenance	167,757	148,264	148,264

18. Finance Lease Liability

No Later than One Year	15,804	14,919	14,919
Later than One Year	14,379	18,523	18,523
Total Finance Lease Liability	30,183	33,442	33,442



19. 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:

2019		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
MOE: 5YA Drainage	<i>In progress</i>	-		11,202		(11,202)
MOE: 5YA Roof Replacement	<i>In progress</i>	-	119,700	2,999		116,701
Totals		-	119,700	14,201	-	105,499

Represented by:

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

105,499

105,499

2018		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
MOE: 5YA Drainage (E)						-
MOE: 5YA Drainage (I)						-
MOE: 5YA Roof Replacement (I)						-
Totals		-	-	-	-	-

20. 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.



21. Remuneration

Key management personnel compensation

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

Board of Trustee and Committee Members

The total value of the remuneration disclosed above which was paid or payable to trustees of the Board and Committee members was as follows:

Account	2019 Actual	2019 Budget	2018 Actual
Board of Trustee Remuneration			
Board Of Trustee Fees	4,235	5,060	3,410
Full Time Equivalents	0.14		0.11

Account	2019 Actual	2019 Budget	2018 Actual
Leadership Team			
Remuneration	375,174		365,316
Full Time Equivalents	3		3

The full time equivalent for Board members has been determined based on attendance of 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.

Account	2019 Actual	2019 Budget	2018 Actual
Principal			
The total value of remuneration paid or payable to the Principal was in the following bands(\$000):			
Salary and Other Payments	160-170		160-170
Benefits and Other Emoluments	3-4		3-4

Account	2019 Actual	2019 Budget	2018 Actual
Other Employees			
The number of other employees with remuneration greater than \$100,000 was in the following bands:			
Total	110-120		100-110
Number of People	1		1

22. 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:

2018: no payments made

2019: no payments made

23. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018 : 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, however the potential impact on any specific school or individual and any associated historical liability 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.



24. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has entered into contract agreements for capital works as follows:

2019 = Nil

2018 = Nil

(b) Operating Commitments

As at 31 December 2019 the Board has entered into the following contracts:

	2019 Actual	2018 Actual
No later than One Year	-	448
Later than One Year and No Later than Five Years	-	0.0
Later than Five Years	-	0.0

25. 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.

26. Financial Instruments

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

Account	2019 Actual	2019 Budget	2018 Actual
Financial Instruments			
Cash and receivables			
Cash and Cash Equivalents	919,608	825,434	825,434
Receivables	166,670	167,552	167,552
Total Cash and receivables	1,086,278	992,987	992,987
Financial liabilities measured at amortised cost			
Payables	237,085	330,603	330,603
Finance Leases	30,183	33,442	33,442
Total Financial liabilities measured at amortised cost	267,268	364,045	364,045
Total Financial Instruments	819,011	628,942	628,942

27. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

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



28. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 12 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements

29. Breach of Law

The Board of Trustees did not comply with section 87A (1) of the Education Act 1989 in that it did not submit its annual Financial Statements for audit by the 31 March 2020. On March 11 2020 the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two week later on the 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced which has caused delays and resulted in a breach of Section 87A(1) of the Education Act. As this situation is out of the Board of Trustees control no audit qualification has been issued for breach of Section 87(A)1 of the Education Act.





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New Zealand

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TE PUKE INTERMEDIATE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Te Puke Intermediate School (the School). The Auditor-General has appointed me, Fraser Lellman, using the staff and resources of BDO Tauranga 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 2019, 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 2019 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 Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 29 May 2019. This is the date at which our opinion is expressed.

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

Emphasis of Matter – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 27 on page 21 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

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 of Trustees for the financial statements

The Board of Trustees 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

PARTNERS: Fraser Lellman CA Kenneth Brown CA Janine Hellyer CA Jenny Lee CA
Donna Kemp CA Paul Manning CA

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 of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees 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 of Trustees' responsibilities arise from 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 of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees 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 of Trustees 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.

Other information

The Board of Trustees 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 read 'Fraser Lellman', with a small mark to the right.

Fraser Lellman
BDO Tauranga
On behalf of the Auditor-General
Tauranga, New Zealand