

# **Auckland Normal Intermediate School**

## **Annual Report for the year ended 31 December 2020**

<b>Ministry Number:</b>	1211
<b>Principal:</b>	Jill Farquharson
<b>School Address:</b>	Poronui Street, Auckland
<b>School Postal Address:</b>	Poronui Street, Auckland 1024
<b>School Phone:</b>	09-6301109
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<b>Service Provider:</b>	Edtech Financial Services Ltd

## Auckland Normal Intermediate School

# Members of the Board of Trustees

For the year ended 31 December 2020

<b>Name</b>	<b>Position</b>	<b>How position on</b>	<b>Term</b>
Mr Brett Bishop	Chairperson	Elected June 2019	June 2022
Mrs Simonne Eldridge	Parent Rep	Re-elected June 2019	June 2022
Mr Brett Ogilvie	Parent Rep	Re-elected November 2020	December 2023
Mrs Mamta Bhikha	Parent Rep	Elected November 2020	December 2023
Mr Bernard Pavlovich	Parent Rep	Elected June 2019	June 2022
Mrs Thi (Hannah) Pham	Parent Rep	Elected June 2019	June 2022
Mrs Rebecca Swinson	Parent Rep	Elected November 2020	June 2022
Mrs Jill Farquharson	Principal	Appointed 2012	
Mr Kieran Gleeson	Staff Rep	Elected october 2020	November 2023

# Auckland Normal Intermediate School

## Annual Report

For the year ended 31 December 2020

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# Auckland Normal Intermediate School 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.

Brett Bishop

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Full Name of Board Chairperson

Jill Farquharson

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Full Name of Principal

Brett Bishop

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Signature of Board Chairperson

Jill Farquharson

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Signature of Principal

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Date:

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Date:

## Auckland Normal Intermediate School

# Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Revenue</b>				
Government Grants	2	7,056,524	7,476,392	6,664,963
Locally Raised Funds	3	798,938	592,639	1,044,374
Interest Income		31,399	24,000	45,516
International Students	4	440,879	364,376	436,878
Other Revenue		334,089	100,000	82,242
		<b>8,661,829</b>	<b>8,557,407</b>	<b>8,273,973</b>
<b>Expenses</b>				
Locally Raised Funds	3	458,598	237,359	621,234
International Students	4	89,390	172,000	158,750
Learning Resources	5	4,060,238	4,114,735	3,750,620
Administration	6	429,904	428,059	395,847
Finance		5,030	7,500	7,116
Property	7	2,841,741	3,412,080	2,813,536
Depreciation	8	277,932	300,000	219,563
Loss on Disposal of Property, Plant and Equipment		7,005	5,000	138,115
		<b>8,169,838</b>	<b>8,676,733</b>	<b>8,104,781</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>491,991</b>	<b>(119,326)</b>	<b>169,192</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>491,991</b>	<b>(119,326)</b>	<b>169,192</b>

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

**Auckland Normal Intermediate School**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2020

	2020	2020	2019
Notes	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
<b>Balance at 1 January</b>	1,879,360	1,879,360	1,710,168
Total comprehensive revenue and expense for the year	491,991	(119,326)	169,192
<b>Equity at 31 December</b>	2,371,351	1,760,034	1,879,360
	27		
Retained Earnings	2,371,351	1,760,034	1,879,360
<b>Equity at 31 December</b>	2,371,351	1,760,034	1,879,360

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.

# Auckland Normal Intermediate School

## Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Current Assets</b>				
Cash and Cash Equivalents	9	117,390	114,273	14,343
Accounts Receivable	10	253,484	225,027	226,786
GST Receivable		36,746	11,487	32,250
Prepayments		3,749	1,565	1,565
Inventories	11	38,991	37,000	37,870
Investments	12	1,403,697	822,000	1,306,037
		<u>1,854,057</u>	<u>1,211,352</u>	<u>1,618,851</u>
<b>Current Liabilities</b>				
Accounts Payable	14	434,649	426,901	383,206
Revenue Received in Advance	15	144,551	330,000	414,736
Provision for Cyclical Maintenance	16	16,200	16,200	3,000
Painting Contract Liability - Current Portion	17	50,162	19,291	34,384
Finance Lease Liability - Current Portion	18	38,409	36,812	42,250
Funds Held in Trust	19	2,286	-	48,299
Funds Held for Capital Works Projects	20	244,141	-	21,810
Funds Held on Behalf of Auckland Intermediate Network Cluster	21	18,975	5,000	2,280
		<u>949,373</u>	<u>834,204</u>	<u>949,965</u>
<b>Working Capital Surplus/(Deficit)</b>		904,684	377,148	668,886
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	1,715,525	1,631,746	1,279,605
Capital Works in Progress		-	-	139,642
		<u>1,715,525</u>	<u>1,631,746</u>	<u>1,419,247</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	207,100	207,100	185,100
Painting Contract Liability	17	-	-	4,198
Finance Lease Liability	18	41,758	41,760	19,475
		<u>248,858</u>	<u>248,860</u>	<u>208,773</u>
<b>Net Assets</b>		<u><u>2,371,351</u></u>	<u><u>1,760,034</u></u>	<u><u>1,879,360</u></u>
<b>Equity</b>	27	<u><u>2,371,351</u></u>	<u><u>1,760,034</u></u>	<u><u>1,879,360</u></u>

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

# Auckland Normal Intermediate School

## Statement of Cash Flows

For the year ended 31 December 2020

	2020	2020 Budget	2019
Note	Actual \$	(Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>			
Government Grants	1,428,609	1,167,866	1,187,618
Locally Raised Funds	1,104,998	686,889	1,146,272
International Students	194,308	292,009	537,626
Goods and Services Tax (net)	(4,496)	20,763	(14,579)
Funds Administered on Behalf of Third Parties	(29,318)	(45,579)	(9,293)
Payments to Employees	(838,081)	(733,440)	(614,597)
Payments to Suppliers	(1,352,556)	(1,248,039)	(1,682,157)
Cyclical Maintenance Payments in the year	(11,580)	-	(17,040)
Interest Paid	(5,030)	(7,500)	(7,116)
Interest Received	30,552	24,677	57,754
Net cash from/(to) Operating Activities	517,406	157,646	584,488
<b>Cash flows from Investing Activities</b>			
Proceeds from Sale of Property Plant & Equipment (and Intangibles)	-	(5,000)	10,358
Purchase of Property Plant & Equipment (and Intangibles)	(515,282)	(446,566)	(439,652)
Purchase of Investments	(97,660)	-	(586,023)
Proceeds from Sale of Investments	-	484,037	-
Net cash from/(to) Investing Activities	(612,942)	32,471	(1,015,317)
<b>Cash flows from Financing Activities</b>			
Finance Lease Payments	(35,328)	(49,086)	(37,392)
Painting Contract Payments	11,580	(19,291)	(20,344)
Funds Held for Capital Works Projects	222,331	(21,810)	(155,037)
Net cash from/(to) Financing Activities	198,583	(90,187)	(212,773)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>103,047</b>	<b>99,930</b>	<b>(643,602)</b>
Cash and cash equivalents at the beginning of the year	9 14,343	14,343	657,945
<b>Cash and cash equivalents at the end of the year</b>	<b>9 117,390</b>	<b>114,273</b>	<b>14,343</b>

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



# Auckland Normal Intermediate School

## Notes to the Financial Statements

For the year ended 31 December 2020

### 1. Statement of Accounting Policies

#### Reporting Entity

Auckland Normal 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.

#### 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.

##### Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision of 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 16.

##### 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 13.

## Auckland Normal Intermediate School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### ***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 carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

### **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.

#### ***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.

### **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.

### **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.

## Auckland Normal Intermediate School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 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.

### 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.

### 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.

### 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.

### 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.

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:

Buildings	10-40 years
Furniture and equipment	4-10 years
Information and communication technology	4-5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

## Auckland Normal Intermediate School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### Impairment of property, plant, and equipment

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 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.

### 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.

### 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.

### Revenue Received in Advance

Revenue received in advance relates to fees received from international students, payments for take home materials and activities 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 this revenue received in advance, should the School be unable to provide the services to which they relate.

### 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 Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

## Auckland Normal Intermediate School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 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).

### 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 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, 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.

### 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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

### Budget Figures

The budget figures are extracted from the School budget that was approved by the Board.

### 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.

# Auckland Normal Intermediate School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 2 Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	1,020,403	978,142	961,813
Teachers' Salaries Grants	3,179,410	3,310,000	3,064,137
Use of Land and Buildings Grants	2,430,023	3,000,000	2,398,860
Resource Teachers Learning and Behaviour Grants	2,903	-	2,850
Other MoE Grants	418,865	188,250	234,152
Other Government Grants	4,920	-	3,151
	<u>7,056,524</u>	<u>7,476,392</u>	<u>6,664,963</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$63,420 for the year ended 31 December 2020.

### 3 Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	155,459	213,250	244,581
Activities	411,246	151,389	533,054
Trading	139,962	133,000	164,218
Fundraising	6,620	-	5,888
Other Revenue	85,651	95,000	96,633
	<u>798,938</u>	<u>592,639</u>	<u>1,044,374</u>
<b>Expenses</b>			
Activities	311,856	81,359	447,367
Employee Benefits - Salaries	-	-	13,582
Trading	86,746	93,000	109,067
Fundraising (Costs of Raising Funds)	5,204	-	353
Other Locally Raised Funds Expenditure	54,792	63,000	50,865
	<u>458,598</u>	<u>237,359</u>	<u>621,234</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>340,340</u>	<u>355,280</u>	<u>423,140</u>

2019: Japan Trip - This is an annual cultural exchange visit to Auckland Normal's sister school Wajiro Hagashi Elementary School. The Deputy Principal, a teacher and 16 students attended. This was majority funded by students. The revenue for the trip was \$60,000 and expenses were \$60,259. This is sitting in the activities line above.

2019: Cairns Trip - This trip is an ecological trip and provides students the opportunity to experience the tropical rainforests and coral reefs of Northern Queensland. There was the deputy principal, 2 teachers and 10 students who went on this trip. The trip gave the students the opportunity to interact with a number of endangered species, experience the tropical rainforests and how this supports our eco system, they learnt about the Great Barrier Reef and how it has evolved and the impact of human interaction. The trip was majority funded by students. The revenue for this trip was \$29,800 and expenses were \$33,244. This is sitting in the activities line above.

# Auckland Normal Intermediate School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 4 International Student Revenue and Expenses

	2020	2020	2019
	Actual	Budget	Actual
	Number	(Unaudited)	Number
		Number	Number
International Student Roll	30	24	23
	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	\$
<b>Revenue</b>			
International Student Fees	440,879	364,376	436,878
<b>Expenses</b>			
Commissions	48,227	50,000	55,227
Recruitment	-	60,000	55,386
International Student Levy	9,106	12,000	10,038
Employee Benefit - Salaries	24,235	35,000	24,437
Other Expenses	7,822	15,000	13,662
	89,390	172,000	158,750
<i>Surplus/ (Deficit) for the year International Students</i>	351,489	192,376	278,128

2019: Korea and Hong Kong Trip-This trip was for international marketing to Korea and Hong Kong. The trips were attended by the principal and International Student Advisor. The expenses for these trips was \$14,806 and are sitting under international student expenses and principals expenses under administration expenses.

2019: Korea Trip-This trip was for international student marketing and pastoral care to Korea. The trip was attended by the International Student advisor and International Student director. The expenses for this trip were \$12,370 and are sitting under international student expenses.

2019: China Trip-This trip was for international student marketing and pastoral care to China. The trip was attended by the principal and the executive officer. The expenses for this trip were \$12,256 and are sitting under international student expenses.

2019: Vietnam and Thailand Trip-This trip was for international student marketing. The International Student director attended both trips. The principal attended the Thailand trip. The expenses for this trip were \$15,947 and are sitting under international student expenses.

### 5 Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	\$
Curricular	145,955	151,536	136,780
Information and Communication Technology	136,791	117,280	104,602
Extra-Curricular Activities	13,360	42,000	34,684
Library Resources	1,082	1,000	920
Employee Benefits - Salaries	3,673,972	3,671,982	3,352,921
Staff Development	89,078	130,937	120,713
	4,060,238	4,114,735	3,750,620

2019: Singapore scoping trip-The Deputy Principal went on this trip. The expense for this trip was \$4,872. The expenses for this trip are sitting under professional development.

2019: UK recruitment trip - This trip was for recruiting teaching staff for 2020 and 2021. The principal went on this trip. The trip was funded by the school. The expenses for this trip are sitting in Principal expenses \$1,013 and recruitment \$4,564 under administration.

2019: Brisbane, Australia - This trip was attended by the Across School Leader and was for professional development. The cost of the trip was \$2,974 and is sitting under Professional Development.

# Auckland Normal Intermediate School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 6 Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	7,401	7,500	7,185
Board of Trustees Fees	4,740	5,840	4,615
Board of Trustees Expenses	13,944	15,000	15,029
Communication	7,825	11,000	8,256
Consumables	14,644	21,000	21,899
Operating Lease	8,084	8,084	8,084
Legal Fees	-	2,000	3,875
Other	87,403	76,500	77,454
Employee Benefits - Salaries	274,202	268,200	237,413
Insurance	5,889	6,435	6,373
Service Providers, Contractors and Consultancy	5,772	6,500	5,664
	<u>429,904</u>	<u>428,059</u>	<u>395,847</u>

### 7 Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	8,617	15,400	9,739
Consultancy and Contract Services	68,518	79,000	68,117
Cyclical Maintenance Expense	46,780	42,880	11,640
Grounds	31,221	23,500	20,206
Heat, Light and Water	50,488	80,500	62,204
Repairs and Maintenance	126,913	97,000	173,098
Use of Land and Buildings	2,430,023	3,000,000	2,398,860
Security	21,788	12,000	15,351
Employee Benefits - Salaries	57,393	61,800	54,321
	<u>2,841,741</u>	<u>3,412,080</u>	<u>2,813,536</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 nationwide 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	23,446	25,000	22,796
Furniture and Equipment	105,125	115,000	60,138
Information and Communication Technology	101,964	112,000	89,859
Leased Assets	44,994	45,000	44,117
Library Resources	2,403	3,000	2,653
	<u>277,932</u>	<u>300,000</u>	<u>219,563</u>



## Auckland Normal Intermediate School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

#### 9 Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash on Hand	4,457	3,688	3,782
Bank Current Account	112,933	10,585	10,561
Short-term Bank Deposits	-	100,000	-
Cash and cash equivalents for Statement of Cash Flows	<u>117,390</u>	<u>114,273</u>	<u>14,343</u>

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

Of the \$117,390 Cash and Cash Equivalents, \$244,141 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

#### 10 Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	23,061	12,027	18,646
Receivables from the Ministry of Education	7,793	-	1,474
Interest Receivable	4,524	3,000	3,677
Teacher Salaries Grant Receivable	218,106	210,000	202,989
	<u>253,484</u>	<u>225,027</u>	<u>226,786</u>
Receivables from Exchange Transactions	27,585	15,027	22,323
Receivables from Non-Exchange Transactions	225,899	210,000	204,463
	<u>253,484</u>	<u>225,027</u>	<u>226,786</u>

#### 11 Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	3,800	-	-
School Uniforms	35,191	37,000	37,870
	<u>38,991</u>	<u>37,000</u>	<u>37,870</u>

#### 12 Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	1,403,697	822,000	1,306,037
Total Investments	<u>1,403,697</u>	<u>822,000</u>	<u>1,306,037</u>

Auckland Normal Intermediate School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

13 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	671,468	-	-	-	(23,446)	648,022
Furniture and Equipment	306,361	553,928	-	-	(105,125)	755,164
Information and Communication Technology	232,445	100,841	(6,734)	-	(101,964)	224,588
Leased Assets	49,838	65,933	-	-	(44,994)	70,777
Library Resources	19,493	155	(271)	-	(2,403)	16,974
<b>Balance at 31 December 2020</b>	<b>1,279,605</b>	<b>720,857</b>	<b>(7,005)</b>	<b>-</b>	<b>(277,932)</b>	<b>1,715,525</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	979,871	(331,849)	648,022
Furniture and Equipment	1,262,689	(507,525)	755,164
Information and Communication Technology	1,201,647	(977,059)	224,588
Leased Assets	237,631	(166,854)	70,777
Library Resources	63,136	(46,162)	16,974
<b>Balance at 31 December 2020</b>	<b>3,744,974</b>	<b>(2,029,449)</b>	<b>1,715,525</b>

The Board considers that no assets have suffered an impairment during the year.

The net carrying value of equipment held under a finance lease is \$70,777 (2019: \$49,838).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	727,134	16,702	(49,572)	-	(22,796)	671,468
Furniture and Equipment	372,699	64,118	(70,318)	-	(60,138)	306,361
Information and Communication Technology	122,643	218,273	(18,612)	-	(89,859)	232,445
Leased Assets	91,873	12,049	(9,967)	-	(44,117)	49,838
Library Resources	21,234	917	(5)	-	(2,653)	19,493
<b>Balance at 31 December 2019</b>	<b>1,335,583</b>	<b>312,059</b>	<b>(148,474)</b>	<b>-</b>	<b>(219,563)</b>	<b>1,279,605</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	979,871	(308,403)	671,468
Furniture and Equipment	708,764	(402,403)	306,361
Information and Communication Technology	1,109,373	(876,928)	232,445
Leased Assets	171,698	(121,860)	49,838
Library Resources	63,868	(44,375)	19,493
<b>Balance at 31 December 2019</b>	<b>3,033,574</b>	<b>(1,753,969)</b>	<b>1,279,605</b>

The net carrying value of equipment held under a finance lease is \$49,838 (2018: \$91,873).

## Auckland Normal Intermediate School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 14 Accounts Payable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	129,843	155,000	110,051
Accruals	26,431	20,401	22,208
Employee Entitlements - Salaries	273,232	248,000	247,750
Employee Entitlements - Leave Accrual	5,143	3,500	3,197
	<u>434,649</u>	<u>426,901</u>	<u>383,206</u>
Payables for Exchange Transactions	434,649	426,901	383,206
	<u>434,649</u>	<u>426,901</u>	<u>383,206</u>

The carrying value of payables approximates their fair value.

### 15 Revenue Received in Advance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
International Student Fees	75,796	250,000	322,367
Other	68,755	80,000	92,369
	<u>144,551</u>	<u>330,000</u>	<u>414,736</u>

### 16 Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	188,100	188,100	193,500
Increase/(decrease) to the Provision During the Year	46,780	42,880	11,640
Use of the Provision During the Year	(11,580)	(7,680)	(17,040)
Provision at the End of the Year	<u>223,300</u>	<u>223,300</u>	<u>188,100</u>
Cyclical Maintenance - Current	16,200	16,200	3,000
Cyclical Maintenance - Term	207,100	207,100	185,100
	<u>223,300</u>	<u>223,300</u>	<u>188,100</u>

### 17 Painting Contract Liability

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Liability	50,162	19,291	34,384
Non Current Liability	-	-	4,198
	<u>50,162</u>	<u>19,291</u>	<u>38,582</u>

In 2014 the Board signed an agreement with Programme Maintenance Services Ltd (the contractor) for an agreed programme of work covering an eight year period. The programme provides for an exterior repaint of the Ministry owned buildings in 2016, with regular maintenance in subsequent years. The agreement has an annual commitment of \$37,483. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

## Auckland Normal Intermediate School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 18 Finance Lease Liability

The school has entered into a number of finance lease agreements for computer equipment and photocopiers. Minimum lease payments payable (includes interest portion):

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	42,223	36,812	43,701
Later than One Year and no Later than Five Years	45,259	41,760	18,827
	<u>87,482</u>	<u>78,572</u>	<u>62,528</u>

### 19 Funds held in Trust

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	2,286	-	48,299
	<u>2,286</u>	<u>-</u>	<u>48,299</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

### 20 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 Contribution/ (Write-off to R&M)	Closing Balances
	\$	\$	\$		\$
SYA Roofing <i>In progress</i>	21,810	-	-	-	21,810
CCTV P2 site <i>Completed</i>	-	19,135	19,135	-	-
Lighting Block 2,3,6,9 <i>Completed</i>	-	72,485	72,485	-	-
Central Air Block 2,3,7,9 <i>Completed</i>	-	56,430	53,827	-	2,603
Block 2 Room 4 flooring <i>Completed</i>	-	8,640	9,657	-	(1,017)
Admin upgrade <i>In Progress</i>	-	216,357	176,011	-	40,346
Pool plant/surfacing/gas <i>In Progress</i>	-	131,670	49,724	-	81,946
Block B Toilet refurbish <i>Completed</i>	-	24,694	25,461	-	(767)
Drainage <i>In Progress</i>	-	85,500	23,015	-	62,485
DB works <i>In Progress</i>	-	-	1,523	-	(1,523)
Outdoor learning <i>In Progress</i>	-	36,000	1,049	-	34,951
Astroturf <i>In Progress</i>	-	-	885	-	(885)
Pool changing room fire - emergency <i>Completed</i>	-	15,300	19,276	375	(3,601)
MOE -Fire Project <i>Completed</i>	-	30,194	28,985	(1,209)	-
MOE-Fire Relocatables <i>Completed</i>	-	2,579	3,274	695	-
Totals	<u>21,810</u>	<u>698,984</u>	<u>484,307</u>	<u>(139)</u>	<u>236,348</u>

#### Represented by:

Funds Held on Behalf of the Ministry of Education	244,141
Funds Due from the Ministry of Education	(7,793)
	<u>236,348</u>

2019	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	\$	\$	\$	\$	\$
SYA Roofing <i>In progress</i>	176,847	(12,746)	142,291	-	21,810
MOE -Fire Property <i>Completed</i>	-	54,031	54,031	-	-
MOE -Fire Project <i>In progress</i>	-	41,075	41,075	-	-
MOE-Fire Relocatables <i>In progress</i>	-	1,474	1,474	-	-
Totals	<u>176,847</u>	<u>83,834</u>	<u>238,871</u>	<u>-</u>	<u>21,810</u>

## Auckland Normal Intermediate School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 21 Funds Held on Behalf of Auckland Intermediate Network Cluster

Auckland Normal Intermediate School is the lead school and holds the funds on behalf of the Auckland Normal Intermediate Network cluster, a group of schools

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Funds Held at Beginning of the Year	2,280	-	6,414
Funds Received from Cluster Members	32,200	5,000	23,778
Funds Received from MoE	7,000	-	-
Funds Spent on Behalf of the Cluster	22,505	-	27,912
Funds Held at Year End	18,975	5,000	2,280

### 22 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.

# Auckland Normal Intermediate School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 23 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	4,740	4,615
Full-time equivalent members	0.18	0.21
<i>Leadership Team</i>		
Remuneration	573,258	457,759
Full-time equivalent members	4.00	3.00
Total key management personnel remuneration	577,998	462,374
Total full-time equivalent personnel	4.18	3.21

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	210-220	200-210
Benefits and Other Emoluments	5-10	5-10
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
120-130	2	2
100-110	1	1
	3	3

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

### 24 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

### 25 Contingencies

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

(Contingent liabilities and assets as 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's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

# Auckland Normal Intermediate School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 26 Commitments

#### (a) Capital Commitments

As at 31 December 2020 the Board has entered into no contract agreements for capital works.

(Capital commitments as at 31 December 2019: nil)

#### (b) Operating Commitments

As at 31 December 2020 the Board has entered into the following contracts:

- operating lease for minibus.

	2020 Actual \$	2019 Actual \$
No later than One Year	2,021	8,084
Later than One Year and No Later than Five Years	-	2,021
Later than Five Years	-	-
	2,021	10,105

### 27 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.

### 28 Financial Instruments

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Financial assets measured at amortised cost</b>			
Cash and Cash Equivalents	117,390	114,273	14,343
Receivables	253,484	225,027	226,786
Investments - Term Deposits	1,403,697	822,000	1,306,037
Total Financial assets measured at amortised cost	1,774,571	1,161,300	1,547,166
<b>Financial liabilities measured at amortised cost</b>			
Payables	434,649	426,901	383,206
Finance Leases	80,167	78,572	61,725
Painting Contract Liability	50,162	19,291	38,582
Total Financial Liabilities Measured at Amortised Cost	564,978	524,764	483,513

### 29 Events After Balance Date

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