

## BELMONT PRIMARY SCHOOL

### ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

#### School Directory

<b>Ministry Number</b>	1226
<b>Principal</b>	Bruce Cunningham
<b>School Address</b>	3A Harrison Ave Belmont, Auckland
<b>School Postal Address</b>	3A Harrison Ave Belmont, Auckland
<b>School Phone</b>	(09) 445-6605
<b>School E-mail</b>	<a href="mailto:office@belmont.school.nz">office@belmont.school.nz</a>

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Occupation</b>	<b>Term Expires</b>
Bruce Cunningham	Principal	Ex officio	Principal	
Moira Clews	Staff Representative	Elected	Associate Principal	May 2022
Simon Priddy	Chairperson	Elected	Procurement Manager	May 2022
Anand Reddy	Treasurer	Elected	Partner	May 2022
Chris Jewell	Parent Representative	Elected	CFO	May 2022
Nissa Anderson	Parent Representative	Elected	Policy Analyst	May 2022
Michael Sweetman	Parent Representative	Elected	Senior Development Manager	May 2022
Joyce Oorschot	Secretary	Nominated	Staff Member	May 2022

**Accountant/Service Provider** The Practice Consultants Ltd

**BELMONT PRIMARY SCHOOL**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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# BELMONT PRIMARY 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.

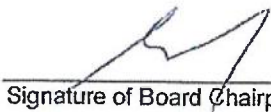
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

Simon Priddy

Full Name of Board Chairperson



Signature of Board Chairperson

31/5/2021

Date:

Bruce Cunningham

Full Name of Principal



Signature of Principal

31/5/2021.

Date:

# BELMONT PRIMARY SCHOOL

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	4,035,771	3,931,800	3,940,769
Locally Raised Funds	3	252,440	219,100	267,627
International Students	4	98,087	150,000	101,891
Interest Income		5,272	6,000	9,313
		<u>4,391,570</u>	<u>4,306,900</u>	<u>4,319,600</u>
<b>Expenses</b>				
Locally Raised Funds	3	63,144	67,700	80,292
International Students	4	13,710	22,500	16,665
Learning Resources	5	2,143,992	2,204,450	2,130,234
Administration	6	194,253	200,436	200,481
Finance	7	3,094	-	3,576
Property	8	1,753,739	1,787,600	1,730,940
Loss on Disposal of Property, Plant and Equipment		1,919	-	4,778
Depreciation	9	151,319	150,000	169,680
		<u>4,325,170</u>	<u>4,432,686</u>	<u>4,336,646</u>
<b>Net Surplus/(Deficit) for the year</b>		<u>66,400</u>	<u>(125,786)</u>	<u>(17,046)</u>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>\$ 66,400</u>	<u>\$ (125,786)</u>	<u>\$ (17,046)</u>

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

# BELMONT PRIMARY SCHOOL

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	\$
Balance at 1 January		1,056,929	1,056,929	1,073,975
Total Comprehensive Revenue and Expense for the Year	25	66,400	(125,786)	(17,046)
<b>Equity at 31 December</b>		<u>\$ 1,123,329</u>	<u>\$ 931,143</u>	<u>\$ 1,056,929</u>
Retained Earnings		1,123,329	931,143	1,056,929
<b>Equity at 31 December</b>		<u>\$ 1,123,329</u>	<u>\$ 931,143</u>	<u>\$ 1,056,929</u>

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

# BELMONT PRIMARY SCHOOL

## Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	10	538,592	528,931	491,475
Accounts Receivable	11	128,709	114,855	124,503
GST Receivable		40,578	(1,511)	6,251
Prepayments		17,123	17,220	17,220
Inventories	12	2,405	2,376	2,376
Painting Contract - Current Portion	18	-	-	2,718
Funds due from the Ministry of Education	16	154,812	-	7,149
		<u>882,219</u>	<u>661,871</u>	<u>651,692</u>
<b>Current Liabilities</b>				
Accounts Payable	14	252,333	172,267	172,267
Revenue Received in Advance	15	53,965	122,424	122,424
Funds held for Capital Works Projects	16	72,936	-	1,817
Provision for Cyclical Maintenance	17	27,500	27,500	89,500
Painting Contract Liability - Current Portion	18	18,883	19,282	-
Finance Lease Liability - Current Portion	19	16,738	15,431	15,431
		<u>442,355</u>	<u>356,904</u>	<u>401,439</u>
<b>Working Capital Surplus</b>		<u>439,864</u>	<u>304,967</u>	<u>250,253</u>
<b>Non Current Assets</b>				
Property, Plant and Equipment	13	<u>741,082</u>	<u>676,339</u>	<u>826,339</u>
<b>Non Current Liabilities</b>				
Provision for Cyclical Maintenance	17	15,000	13,000	2,500
Painting Contract Liability	18	25,392	20,000	-
Finance Lease Liability	19	17,225	17,163	17,163
		<u>57,617</u>	<u>50,163</u>	<u>19,663</u>
<b>Net Assets</b>		<u>\$ 1,123,329</u>	<u>\$ 931,143</u>	<u>\$ 1,056,929</u>
<b>Equity</b>		<u>\$ 1,123,329</u>	<u>\$ 931,143</u>	<u>\$ 1,056,929</u>

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

# BELMONT PRIMARY SCHOOL

## Statement of Cash Flows

For the year ended 31 December 2020

	2020	2020	2019
Notes	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
<b>Cash Flows from Operating Activities</b>			
Government Grants	637,628	541,648	562,615
Locally Raised Funds	250,196	219,100	264,810
International Students	28,522	150,000	110,239
Goods and Services Tax (net)	(25,487)	7,762	3,812
Payments to Employees	(424,761)	(422,600)	(415,693)
Payments to Suppliers	(345,131)	(422,286)	(341,137)
Cyclical Maintenance Payments	-	(29,500)	-
Interest Paid	(3,094)	-	(3,576)
Interest Received	5,273	6,000	9,319
Net Cash from the Operating Activities	123,146	50,124	190,389
<b>Cash Flows from Investing Activities</b>			
Purchase of Property, Plant and Equipment	(47,886)	-	(52,928)
Net Cash to the Investing Activities	(47,886)	-	(52,928)
<b>Cash Flows from Financing Activities</b>			
Funds Held for Capital Works Projects	1,109	5,332	20,221
Finance Lease Payments	(10,369)	-	(22,033)
Painting Contract Payments	(18,883)	(18,000)	(18,299)
Net Cash to the Financing Activities	(28,143)	(12,668)	(20,111)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>47,117</b>	<b>37,456</b>	<b>117,350</b>
Cash and Cash Equivalents at the Beginning of the Year	10 491,475	491,475	374,125
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>10 \$ 538,592</b>	<b>\$ 528,931</b>	<b>\$ 491,475</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.

# BELMONT PRIMARY SCHOOL

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2020

#### a) Reporting Entity

Belmont Primary 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 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.



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#### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. The provision relates mainly to the painting of the school buildings. The estimate is based on a 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 17.

#### *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.

#### **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 grant 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.

### **c) Revenue Recognition**

#### **Government Grants**

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

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

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

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

#### **Other Grants**

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

#### **Donations, Gifts and Bequests**

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