

CORNERSTONE CHRISTIAN SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 1172

Principal: Chris Mitchell

School Address: 119 Mihaere Drive, Palmerston North

School Postal Address: 119 Mihaere Drive, Palmerston North

School Phone: (06) 356 7326

School Email: office@cornerstone.ac.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Jo Auer	Chair Person	Elected	
Chris Mitchell	Principal	ex-officio	May-22
Dr Peter Ferrar	Principal	ex-officio	
Braden Simpson	Parent Rep	Elected	Feb-20
Rocky Ruihi-Lewis	Parent Rep	Elected	May-22
Laura Siegel	Parent Rep	Elected	Jun-20
Shannon King	Parent Rep	Elected	Jan-21
Anthony Budd	Parent Rep	Elected	May-22
Heslia Swanepoel	Parent Rep	Elected	May-22
Ben Rauzi	Staff Rep	Elected	May-22
Conrad de Groot	Student Rep	Elected	May-22
Richard Tankersley	Student Rep	Elected	Sep-20
Simon McCracken	Proprietor Rep	Elected	Sep-21
Glen de Groot	Proprietor Rep	Elected	May-22
Rachel Burn	Proprietor Rep	Elected	May-22
	Proprietor Rep	Elected	May-22

Accountant / Service Provider: Openbook Solutions Limited

CORNERSTONE CHRISTIAN SCHOOL

Annual Report - For the year ended 31 December 2020

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Cornerstone Christian 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.

Joanne Auer
Full Name of Board Chairperson

J. Auer
Signature of Board Chairperson

25/5/21
Date:

Christopher David Mitchell
Full Name of Principal

[Signature]
Signature of Principal

25/5/21
Date:

Cornerstone Christian School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	5,160,756	4,161,088	4,534,319
Locally Raised Funds	3	195,267	44,583	199,032
Use of Proprietor's Land and Buildings		1,323,675	870,000	1,197,489
Interest income		3,980	7,981	8,231
Gain on Sale of Property, Plant and Equipment		3,002	0	5,032
		<u>6,686,680</u>	<u>5,083,652</u>	<u>5,944,103</u>
Expenses				
Locally Raised Funds	3	114,264	143,400	152,599
Learning Resources	4	4,611,198	3,577,992	3,977,750
Administration	5	248,220	258,588	235,252
Finance		5,348	0	5,642
Property	6	1,634,348	1,129,944	1,467,631
Depreciation	7	189,385	156,600	170,830
Loss on Disposal of Property, Plant and Equipment		863	0	0
Amortisation of Intangible Assets	12	1,618	1,618	1,618
		<u>6,805,244</u>	<u>5,268,142</u>	<u>6,011,322</u>
Net Surplus / (Deficit) for the year		(118,564)	(184,490)	(67,220)
Other Comprehensive Revenue and Expenses		0	0	0
Total Comprehensive Revenue and Expense for the Year		<u>(118,564)</u>	<u>(184,490)</u>	<u>(67,220)</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.



Cornerstone Christian School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		859,739	859,739	776,486
Total comprehensive revenue and expense for the year		(118,564)	(184,490)	(67,220)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		18,166	18,164	150,473
Equity at 31 December	23	759,341	693,413	859,739
Retained Earnings		697,001	555,237	721,563
Reserves	17	62,340	138,176	138,176
Equity at 31 December		759,341	693,413	859,739

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.



Cornerstone Christian School

Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	8	389,581	490,314	516,922
Accounts Receivable	9	315,307	240,000	230,992
GST Receivable		12,554	10,000	12,203
Prepayments		3,832	25,000	66,229
Inventories	10	51,285	50,000	54,077
		<u>772,559</u>	<u>815,314</u>	<u>880,424</u>
Current Liabilities				
Accounts Payable	13	355,441	350,000	329,501
Revenue Received in Advance	14	13,623	30,000	30,433
Provision for Cyclical Maintenance	15	0	0	35,683
Finance Lease Liability - Current Portion	16	27,214	25,415	21,452
		<u>396,278</u>	<u>405,415</u>	<u>417,069</u>
Working Capital Surplus/(Deficit)		376,281	409,899	463,355
Non-current Assets				
Property, Plant and Equipment	11	543,712	423,691	512,529
Intangible Assets	12	35,602	35,602	37,220
		<u>579,314</u>	<u>459,293</u>	<u>549,749</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	172,407	153,394	127,411
Finance Lease Liability	16	23,847	22,385	25,956
		<u>196,254</u>	<u>175,779</u>	<u>153,367</u>
Net Assets		<u>759,341</u>	<u>693,413</u>	<u>859,739</u>
Equity	23	<u>759,341</u>	<u>693,413</u>	<u>859,739</u>

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



Cornerstone Christian School Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		1,470,892	1,355,338	1,224,907
Locally Raised Funds		159,015	44,583	199,031
Goods and Services Tax (net)		(345)	(2,203)	26,321
Payments to Employees		(840,344)	(651,669)	(583,041)
Payments to Suppliers		(759,372)	(714,514)	(751,745)
Cyclical Maintenance Payments in the year		(10,825)	0	0
Interest Paid		(5,348)	0	(5,642)
Interest Received		3,980	7,981	8,231
Net cash from Operating Activities		17,653	39,516	118,063
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		5,189	0	4,535
Purchase of PPE (and Intangibles)		(151,924)	(69,380)	(61,711)
Net cash from Investing Activities		(146,735)	(69,380)	(57,176)
Cash flows from Financing Activities				
Furniture and Equipment Grant		18,166	18,166	288,723
Finance Lease Payments		(16,425)	(14,910)	(34,188)
Net cash from Financing Activities		1,741	3,256	254,535
Net increase/(decrease) in cash and cash equivalents		(127,341)	(26,608)	315,422
Cash and cash equivalents at the beginning of the year	8	516,922	516,922	201,500
Cash and cash equivalents at the end of the year	8	389,581	490,314	516,922

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.



Cornerstone Christian School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Cyclical maintenance provision

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



Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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.

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Proprietor. The expense is based on an assumed market rental yield on the land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Proprietor.

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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



i) Inventories

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

j) Property, Plant and Equipment

Land and buildings owned by the Proprietor 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 Proprietor are recorded at cost, less accumulated depreciation and impairment losses.

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Furniture and equipment	2-13 years
Information and communication technology	1-4 years
Motor vehicles	4-8 Years
Textbooks	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	8 years

k) Intangible Assets

Software costs

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

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

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's 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.



l) 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.

m) 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.

n) 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.

o) Revenue Received in Advance

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

p) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building 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 provisions for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).

q) Financial Instruments

The School's financial assets comprise cash and cash equivalents and accounts receivable. All of these financial assets are categorised as "financial assets measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

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

r) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

t) Services received in-kind

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



2. Government Grants

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Operational Grants	1,222,809	1,179,874	1,035,113
Teachers' Salaries Grants	3,664,469	2,805,750	3,307,989
Resource Teachers Learning and Behaviour Grants	3,605	0	2,595
Other MoE Grants	200,712	143,996	157,155
Other Government Grants	69,161	31,468	31,467
	5,160,756	4,161,088	4,534,319

The school has opted in to the donations scheme for this year. Total amount received was \$80,700.

Other MOE Grants total includes additional COVID-19 funding totalling \$23,630 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
Revenue	\$	\$	\$
Donations	35,406	500	10,296
Activities	34,475	16,400	78,545
Trading	102,963	11,283	59,978
Overseas Trip	0	0	34,983
Other Revenue	22,423	16,400	15,229
	195,267	44,583	199,032
Expenses			
Activities	39,087	143,400	68,195
Trading	75,177	0	51,189
Overseas Trip	0	0	33,215
	114,264	143,400	152,599
	81,003	(98,817)	46,433

Surplus/ (Deficit) for the year Locally raised funds

4. Learning Resources

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Curricular	266,191	201,943	207,858
Information and Communication Technology	67,583	106,584	36,305
Library Resources	943	0	97
Employee Benefits - Salaries	4,264,845	3,243,865	3,700,394
Staff Development	11,636	25,600	33,096
	4,611,198	3,577,992	3,977,750



5. Administration

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Audit Fee	5,917	5,917	5,745
Board of Trustees Fees	6,145	7,425	5,870
Board of Trustees Expenses	13,297	10,154	5,995
Communication	3,519	0	4,765
Consumables	4,928	0	11,830
Other	31,923	49,282	27,498
Employee Benefits - Salaries	174,925	175,810	155,079
Insurance	5,300	0	4,976
Legal Fees	2,266	10,000	13,495
	248,220	258,588	235,252

6. Property

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	9,513	4,560	0
Consultancy and Contract Services	106,707	85,360	84,236
Cyclical Maintenance Provision	20,138	21,000	22,473
Grounds	22,766	14,400	34,637
Heat, Light and Water	35,945	44,100	38,691
Rates	7,048	6,000	7,064
Repairs and Maintenance	55,578	42,300	51,176
Use of Land and Buildings	1,323,675	870,000	1,197,489
Security	3,303	3,000	1,402
Employee Benefits - Salaries	49,675	39,224	30,464
	1,634,348	1,129,944	1,467,631

7. Depreciation

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Furniture and Equipment	95,554	77,100	76,538
Information and Communication Technology	48,481	35,000	43,032
Motor Vehicles	11,525	12,000	12,136
Textbooks	7,553	8,200	8,780
Leased Assets	22,126	20,000	25,900
Library Resources	4,146	4,300	4,443
	189,385	156,600	170,830

8. Cash and Cash Equivalents

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Cash on Hand	135	314	33
Bank Current Account	5,656	60,000	13,781
Bank Call Account	3,155	50,000	361
Bank Savings Account	380,635	380,000	502,747
Cash and cash equivalents for Statement of Cash Flows	389,581	490,314	516,922

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

Of the \$389,581 of Cash and Cash Equivalents, \$10,750 of unspent ORS COVID-19 Response funding is held by the School.



9. Accounts Receivable

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
Receivables	\$ 23,164	\$ 5,000	\$ 5,185
Receivables from the Ministry of Education	8,151	0	0
Teacher Salaries Grant Receivable	283,992	235,000	225,807
	315,307	240,000	230,992
Receivables from Exchange Transactions	23,164	5,000	5,185
Receivables from Non-Exchange Transactions	292,143	235,000	225,807
	315,307	240,000	230,992

10. Inventories

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
School Uniforms	\$ 51,285	\$ 50,000	\$ 54,077
	51,285	50,000	54,077

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Furniture and Equipment	339,711	168,438	0	0	(95,554)	412,596
Information and Communication	69,593	17,964	(1,243)	0	(48,481)	37,833
Motor Vehicles	21,914	4,339	(1,297)	0	(11,525)	13,431
Textbooks	18,507	0	0	0	(7,553)	10,954
Leased Assets	49,448	33,666	(5,065)	0	(22,126)	55,923
Library Resources	13,355	3,766	0	0	(4,146)	12,975
Balance at 31 December 2020	512,529	228,173	(7,605)	0	(189,385)	543,712

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Furniture and Equipment	1,000,488	(587,892)	412,596
Information and Communication Technology	399,419	(361,586)	37,833
Motor Vehicles	61,166	(47,735)	13,431
Textbooks	99,932	(88,978)	10,954
Leased Assets	95,220	(39,297)	55,923
Library Resources	63,810	(50,835)	12,975
Balance at 31 December 2020	1,720,035	(1,176,323)	543,712

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Furniture and Equipment	386,471	30,305	(527)	0	(76,538)	339,711
Information and Communication	88,775	24,205	(355)	0	(43,032)	69,593
Motor Vehicles	32,551	1,500	0	0	(12,136)	21,914
Textbooks	24,261	3,026	0	0	(8,780)	18,507
Leased Assets	62,604	12,744	0	0	(25,900)	49,448
Library Resources	15,123	2,674	0	0	(4,443)	13,355
Balance at 31 December 2019	609,785	74,454	(882)	0	(170,829)	512,529



2019	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Furniture and Equipment	833,408	(493,697)	339,711
Information and Communication Technology	406,332	(336,739)	69,593
Motor Vehicles	58,327	(36,412)	21,914
Textbooks	99,932	(81,425)	18,507
Leased Assets	136,949	(87,501)	49,448
Library Resources	60,044	(46,690)	13,355
Balance at 31 December 2019	1,594,992	(1,082,464)	512,529

12. Equitable Leasehold Interest

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge of the asset. This equitable leasehold interest represents the Boards interest in capital works assets owned by the Proprietor but paid for in whole or part by the Board of Trustees, either from Government funding or community raised funds.

A lease between the Board and the Proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. The equitable leasehold interest is amortised over the remaining economic life of the capital works assets involved. The interest may be realised on the sale of the capital works by the Proprietor or the closure of the school.

The major capital works assets included in the equitable leasehold interest are:

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
Senior Playground			
Cost			
Balance at 31 December 2020	56,618	56,618	56,618
	56,618	56,618	56,618
Less			
Amortisation expense			
Balance at 31 December 2020	21,016	21,016	19,398
	35,602	35,602	37,220
Annual Amortisation	1,618	1,618	1,618

13. Accounts Payable

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
Operating Creditors	\$	\$	\$
Accruals	38,088	70,000	58,181
Employee Entitlements - Salaries	8,487	15,000	12,273
Employee Entitlements - Leave Accrual	303,361	260,000	255,614
	5,505	5,000	3,433
	355,441	350,000	329,501
Payables for Exchange Transactions	355,441	350,000	329,501
	355,441	350,000	329,501

The carrying value of payables approximates their fair value.



14. Revenue Received in Advance

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
Grants in Advance - Ministry of Education	\$ 10,750	\$ 15,000	\$ 0
Other	2,873	15,000	30,433
	<u>13,623</u>	<u>30,000</u>	<u>30,433</u>

15. Provision for Cyclical Maintenance

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
Provision at the Start of the Year	\$ 163,094	\$ 163,094	\$ 140,621
Increase/ (decrease) to the Provision During the Year	15,133	21,000	22,473
Use of the Provision During the Year	(5,820)	(30,700)	0
Provision at the End of the Year	<u>172,407</u>	<u>153,394</u>	<u>163,094</u>
Cyclical Maintenance - Current	0	0	35,683
Cyclical Maintenance - Term	172,407	153,394	127,411
	<u>172,407</u>	<u>153,394</u>	<u>163,094</u>

16. Finance Lease Liability

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

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
No Later than One Year	\$ 30,875	\$ 30,000	\$ 25,883
Later than One Year and no Later than Five Years	25,227	25,000	27,284
Later than Five Years	0	0	(5,760)
	<u>56,102</u>	<u>55,000</u>	<u>47,407</u>

17. Reserves

	2020 Actual	2020 Budget	2019 Actual
Iplex (Library Grant)	\$ 700	\$ 700	\$ 700
T McCarthy Trust Reserve (Library Grant)	4,131	4,131	4,131
MOE - Furniture & Equipment Grant - L Block	57,509	133,345	133,345
	<u>62,340</u>	<u>138,176</u>	<u>138,176</u>

18. Related Party Transactions

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

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



The Proprietor of the School (Cornerstone Christian Education Trust) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(d). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of Proprietor's land and buildings".

Richard Tankersley is a Proprietor of the school and also owns ICONA Limited. During the year the school contracted ICONA Limited to maintain and service the Schools IT Systems software/hardware and VOIP phone lines. The total value of all transactions for the year was \$18,304 (2019: \$26,590) with \$785 outstanding as at balance date (2019: \$5,280). No contract exceeded the \$25,000 threshold therefore it does not require Ministry approval under section 103 of the Education and Training Act 2020.

19. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration		
Full-time equivalent members	6,145	5,870
	0.31	0.34
<i>Leadership Team</i>		
Remuneration		
Full-time equivalent members	926,513	490,930
	7.60	4.00
Total key management personnel remuneration	932,658	496,800
Total full-time equivalent personnel	7.91	4.34

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 1

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

	2020 Actual \$000	2019 Actual \$000
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	20 - 30	170 - 190
Benefits and Other Emoluments	0 - 5	5 - 6
Termination Benefits	0	0

Principal 2

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

	2020 Actual \$000	2019 Actual \$000
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	140 - 150	0
Benefits and Other Emoluments	0 - 5	0
Termination Benefits	0	0

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	4	2
110 - 120	1	0
	5	2

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



20. Compensation and Other Benefits Upon Leaving

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

	2020 Actual	2019 Actual
Total	0	0
Number of People	0	0

21. Contingencies

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

Holidays Act Compliance – schools payroll

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

The Ministry'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.

22. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has not entered into contract agreements for capital works. (2019: nil)

(b) Operating Commitments

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

(a) photocopier service charge;

	2020 Actual \$	2019 Actual \$
No later than One Year	11,965	11,965
Later than One Year and No Later than Five Years	7,977	19,942
Later than Five Years	0	0
	<u>19,942</u>	<u>31,907</u>

23. Managing Capital

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



24. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
Cash and Cash Equivalents	\$ 389,581	\$ 490,314	\$ 516,922
Receivables	315,307	240,000	230,992
Total Financial assets measured at amortised cost	<u>704,888</u>	<u>730,314</u>	<u>747,914</u>

Financial liabilities measured at amortised cost

Payables	355,441	350,000	329,501
Finance Leases	51,061	47,800	47,407
Total Financial Liabilities Measured at Amortised Cost	<u>406,502</u>	<u>397,800</u>	<u>376,908</u>

25. Events After Balance Date

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

26. Comparatives

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

