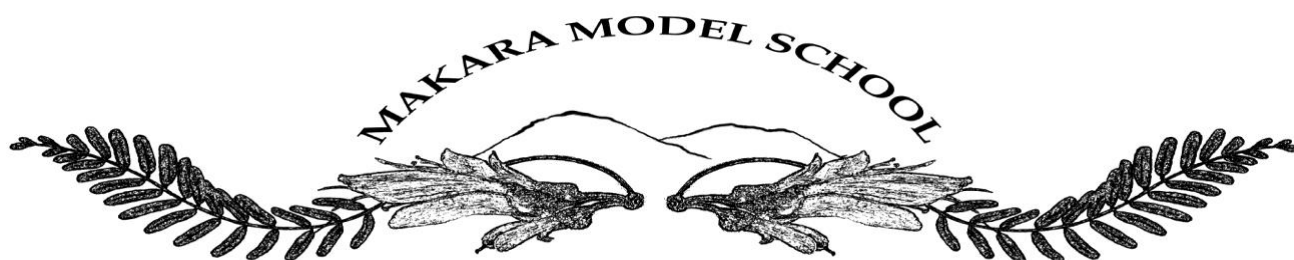


MAKARA MODEL SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



Ministry Number:	2894
Principal:	Gail Dewar
School Address:	399 Makara Road, Karori, Wellington
School Postal Address:	399 Makara Road, Karori, Wellington, 6972
School Phone:	04 476 9522
School Email:	office@mms.school.nz
Accountant/Service Provider:	Accounting For Schools Limited

MAKARA MODEL SCHOOL

Annual Report - For the year ended 31 December 2020

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MAKARA MODEL 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.

Full Name of Board Chairperson

Full Name of Principal

Signature of Board Chairperson

Signature of Principal

Date:

Date:

MAKARA MODEL 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	743,060	723,753	674,746
Locally Raised Funds	3	113,354	49,250	65,569
Interest income		4,134	5,000	7,014
		860,548	778,003	747,329
Expenses				
Locally Raised Funds	3	12,842	24,500	23,060
Learning Resources	4	500,993	540,490	463,932
Administration	5	56,431	53,910	47,625
Finance		313	200	240
Property	6	153,312	176,225	137,350
Depreciation	7	28,645	27,100	27,430
Loss on Disposal of Property, Plant and Equipment		-	-	-
		752,536	822,425	699,637
Net Surplus / (Deficit) for the year		108,012	(44,422)	47,692
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		108,012	(44,422)	47,692

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

MAKARA MODEL SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2020

Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Balance at 1 January	423,606	423,606	375,269
Total comprehensive revenue and expense for the year	108,012	(44,422)	47,692
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	5,235	-	645
Equity at 31 December	536,853	379,184	423,606
Retained Earnings	536,853	379,184	423,606
Reserves	-	-	-
Equity at 31 December	536,853	379,184	423,606

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.

MAKARA MODEL 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	374,927	67,880	183,429
Accounts Receivable	9	54,029	33,000	32,609
Inventories	10	944	3,000	2,926
Investments	11	164,562	190,000	190,741
Prepayments		6,679	3,000	2,841
		601,141	296,880	412,546
Current Liabilities				
Accounts Payable	13	53,826	39,200	38,487
GST Payable		23,505	10,000	18,073
Revenue Received in Advance	14	20,814	10,000	14,200
Provision for Cyclical Maintenance	15	41,673	-	-
Finance Lease Liability - Current Portion	16	3,766	3,000	3,622
Funds held for Capital Works Projects	17	140,382	-	68,061
		283,966	62,200	142,443
Working Capital Surplus/(Deficit)		317,175	234,680	270,103
Non-current Assets				
Property, Plant and Equipment	12	227,545	199,000	201,608
		227,545	199,000	201,608
Non-current Liabilities				
Provision for Cyclical Maintenance	15	4,500	47,496	40,971
Finance Lease Liability	16	3,367	7,000	7,134
		7,867	54,496	48,105
Net Assets		536,853	379,184	423,606
Equity		536,853	379,184	423,606

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

MAKARA MODEL 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		223,700	193,753	150,878
Locally Raised Funds		93,803	35,050	79,769
Goods and Services Tax (net)		5,436	(8,071)	12,947
Payments to Employees		(101,394)	(134,169)	(54,030)
Payments to Suppliers		(80,214)	(114,484)	(86,715)
Interest Paid		(313)	(200)	(240)
Interest Received		4,952	5,142	6,493
Net cash from Operating Activities		145,970	(22,979)	109,103
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		3,257	-	3,257
Purchase of PPE (and Intangibles)		(57,840)	(24,493)	(32,480)
Purchase of Investments		26,179	741	(84,949)
Net cash from Investing Activities		(28,404)	(23,752)	(114,172)
Cash flows from Financing Activities				
Furniture and Equipment Grant		5,235	-	645
Finance Lease Payments		(3,623)	(756)	(3,328)
Funds Held for Capital Works Projects		72,321	(68,061)	69,623
Net cash from Financing Activities		73,933	(68,817)	66,940
Net increase/(decrease) in cash and cash equivalents		191,499	(115,548)	61,871
Cash and cash equivalents at the beginning of the year	8	183,429	183,428	121,558
Cash and cash equivalents at the end of the year	8	374,927	67,880	183,429

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

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

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Makara Model 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".

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 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.

Useful lives of property, plant and equipment

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

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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

j) Investments

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

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

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

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

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

Property, plant and equipment acquired with individual values under \$250 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.

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	20 years
Furniture and equipment	10 years
Information and communication technology	5 years
Library resources	12.5% Diminishing value
Leased assets	Over Life of the Lease

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.

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

o) Revenue Received in Advance

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

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

p) 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).

q) 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, borrowings 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 at the start of the year.

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.

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	144,321	143,053	130,900
Teachers' Salaries Grants	424,169	420,000	406,113
Use of Land and Buildings Grants	101,805	120,000	92,631
Other MoE Grants	71,972	40,200	44,895
Other Government Grants	793	500	207
	743,060	723,753	674,746

Other MOE Grants total includes additional COVID-19 funding totalling \$22,518 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	11,757	12,600	19,202
Bequests & Grants	80,634	500	6,105
Activities	6,939	4,650	3,815
Trading	7,294	8,000	9,724
Fundraising	6,730	23,500	26,723
	113,354	49,250	65,569
Expenses			
Activities	6,014	10,200	9,775
Trading	6,050	5,800	4,176
Fundraising (Costs of Raising Funds)	778	8,500	9,109
	12,842	24,500	23,060
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	100,512	24,750	42,509

4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	12,953	17,690	8,469
Library Resources	91	500	869
Employee Benefits - Salaries	483,865	513,300	450,383
Staff Development	4,084	9,000	4,211
	500,993	540,490	463,932

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Audit Fee	5,366	5,350	5,210
Board of Trustees Fees	3,886	700	330
Board of Trustees Expenses	1,804	2,000	2,151
Communication	1,138	1,200	1,159
Consumables	1,449	2,800	1,837
Other	4,561	5,610	3,487
Employee Benefits - Salaries	30,456	28,250	24,632
Insurance	2,706	3,000	2,859
Service Providers, Contractors and Consultancy	5,065	5,000	5,960
	56,431	53,910	47,625

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Caretaking and Cleaning Consumables	2,127	3,400	2,564
Consultancy and Contract Services	762	5,000	3,900
Cyclical Maintenance Provision	5,202	6,525	10,296
Grounds	14,817	7,400	5,353
Heat, Light and Water	4,614	6,000	4,926
Repairs and Maintenance	11,641	13,200	5,087
Use of Land and Buildings	101,805	120,000	92,631
Security	550	2,000	774
Employee Benefits - Salaries	11,794	12,700	11,819
	153,312	176,225	137,350

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

7. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Building Improvements - Crown	7,587	7,300	7,380
Furniture and Equipment	9,606	9,700	9,829
Information and Communication Technology	7,522	7,200	7,298
Leased Assets	3,726	2,700	2,736
Library Resources	204	200	187
	28,645	27,100	27,430

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

8. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	307,683	37,880	154,926
Bank Call Account	67,244	30,000	28,503
Cash and cash equivalents for Cash Flow Statement	<u>374,927</u>	<u>67,880</u>	<u>183,429</u>

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

Of the \$374,927 Cash and Cash Equivalents, \$140,382 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.

9. Accounts Receivable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	19,550	-	-
Interest Receivable	324	1,000	1,142
Teacher Salaries Grant Receivable	34,155	32,000	31,467
	<u>54,029</u>	<u>33,000</u>	<u>32,609</u>
Receivables from Exchange Transactions	19,874	1,000	1,142
Receivables from Non-Exchange Transactions	34,155	32,000	31,467
	<u>54,029</u>	<u>33,000</u>	<u>32,609</u>

10. Inventories

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	944	3,000	2,878
Lunches	-	-	48
	<u>944</u>	<u>3,000</u>	<u>2,926</u>

11. Investments

The School's investment activities are classified as follows:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	164,562	190,000	190,741
Total Investments	<u>164,562</u>	<u>190,000</u>	<u>190,741</u>

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements	120,152	49,659	-	-	(7,587)	162,224
Furniture and Equipment	50,706	1,056	-	-	(9,606)	42,156
Information and Communication	18,114	3,621	-	-	(7,522)	14,213
Leased Assets	11,130	-	-	-	(3,726)	7,403
Library Resources	1,506	247	-	-	(204)	1,549
Balance at 31 December 2020	201,608	54,583	-	-	(28,645)	227,545

The net carrying value of equipment held under a finance lease is \$7,403 (2019: \$11,130).

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	199,462	(37,238)	162,224
Furniture and Equipment	150,367	(108,212)	42,156
Information and Communication Technology	57,369	(43,155)	14,213
Leased Assets	27,142	(19,738)	7,403
Library Resources	3,083	(1,534)	1,549
Balance at 31 December 2020	437,423	(209,877)	227,545

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	127,532	-	-	-	(7,380)	120,152
Furniture and Equipment	34,909	25,626	-	-	(9,829)	50,706
Information and Communication	22,281	3,131	-	-	(7,298)	18,114
Leased Assets	8,766	5,100	-	-	(2,736)	11,130
Library Resources	1,227	466	-	-	(187)	1,506
Balance at 31 December 2019	194,715	34,323	-	-	(27,430)	201,608

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	149,803	(29,651)	120,152
Furniture and Equipment	149,311	(98,605)	50,706
Information and Communication Technology	53,747	(35,633)	18,114
Leased Assets	27,142	(16,012)	11,130
Library Resources	8,424	(6,918)	1,506
Balance at 31 December 2019	388,427	(186,819)	201,608

MAKARA MODEL SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2020

13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	14,079	2,400	2,391
Accruals	4,122	3,800	3,710
Employee Entitlements - Salaries	34,155	32,000	31,467
Employee Entitlements - Leave Accrual	1,471	1,000	919
	<u>53,827</u>	<u>39,200</u>	<u>38,487</u>
Payables for Exchange Transactions	53,827	39,200	38,487
	<u>53,827</u>	<u>39,200</u>	<u>38,487</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Grants in Advance	20,808	10,000	13,964
Student Fees	6	-	236
	<u>20,814</u>	<u>10,000</u>	<u>14,200</u>

15. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	40,971	40,971	30,675
Increase/(decrease) to the Provision During the Year	5,202	6,525	10,296
Provision at the End of the Year	<u>46,173</u>	<u>47,496</u>	<u>40,971</u>
Cyclical Maintenance - Current	41,673	-	-
Cyclical Maintenance - Term	4,500	47,496	40,971
	<u>46,173</u>	<u>47,496</u>	<u>40,971</u>

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

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	3,766	3,000	3,622
Later than One Year and no Later than Five Years	3,367	7,000	7,134
	7,133	10,000	10,756

17. Funds Held for Capital Works Projects

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

	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
2020					
Roof & Renovations Project <i>in progress</i>	68,061	271,604	(199,282)	-	140,382
Totals	68,061	271,604	(199,282)	-	140,382

Represented by:

Funds Held on Behalf of the Ministry of Education	140,382
	140,382

	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
2019					
New Classroom Investigations <i>completed</i>	(1,562)	-	-	1,562	-
Roof & Timber Windows <i>in progress</i>	-	77,213	(9,152)	-	68,061
Spec Needs Mods - Fences <i>completed</i>	-	92,890	(92,890)	-	-
Totals	(1,562)	170,103	(102,042)	1,562	68,061

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.

Gail Dewar is the Principal and has a family member Ruby Brainbridge. During the year the School contracted Ruby Bainbridge as a casual teacher aid at the school. The total value of all transactions for the year was \$18,976 (2019: \$3,387) and no amount is outstanding as at balance date (Prior Period: nil).

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

19. Remuneration

Key management personnel compensation

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

	2020	2019
	Actual	Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,886	330
Full-time equivalent members	0.21	0.20
<i>Leadership Team</i>		
Remuneration	190,397	184,835
Full-time equivalent members	2	2
Total key management personnel remuneration	194,283	185,165
Total full-time equivalent personnel	2.21	2.20

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	2019
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110 - 120	110 - 120
Benefits and Other Emoluments	3 - 4	2 - 3

Other Employees

There were no other employees with remuneration greater than \$100,000 (2019: nil).

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

20. 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.

MAKARA MODEL SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

21. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into a contract agreement with the Ministry of Education to replace the roof and timber windows of the school amounting to \$1,455,334 of which \$208,435 had been spent at balance date.

(Capital commitments at 31 December 2019: \$772,182).

(b) Operating Commitments

As at 31 December 2020 the Board had no operating commitments (2019: nil).

22. 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.

23. Financial Instruments

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Financial assets measured at amortised cost			
Cash and Cash Equivalents	374,927	67,880	183,429
Receivables	54,029	33,000	32,609
Investments - Term Deposits	164,562	190,000	190,741
Total Financial assets measured at amortised cost	<u>593,518</u>	<u>290,880</u>	<u>406,779</u>
Financial liabilities measured at amortised cost			
Payables	53,827	39,200	38,487
Finance Leases	7,133	10,000	10,756
Total Financial Liabilities Measured at Amortised Cost	<u>60,960</u>	<u>49,200</u>	<u>49,243</u>

24. Events After Balance Date

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

MAKARA MODEL SCHOOL

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How position on Board gained	Occupation	Term expired/expires
Gwyneth Wills	Chairperson	Re-elected June 2019	Bank Officer	June 2022
Gail Dewar	Principal	Appointed April 2006	Principal	
Sam Hyde	Parent Rep	Co-opted, Elected June 2019	Self-employed	Resigned June 2020
Katrina Oliver	Staff Rep	Re-elected June 2019	Teacher	June 2022
Struan Reid	Parent Rep	Co-opted, Elected June 2019	Manager	June 2022
Simone Sari	Parent Rep	Re-elected June 2019	Property Lease Advisor	June 2022
Vlad Tomescu	Parent Rep	Re-elected June 2019	Self-employed	Resigned February 2020
James Ryan	Parent Rep	Elected June 2019	Policy and Compliance Manager	June 2022
Jenny Skinner	Parent Rep	Elected June 2020	Policy Advisor	June 2022

MAKARA MODEL SCHOOL

Kiwisport Funding

For the year ended 31 December 2020

Kiwisport is a Government funding initiative to support student participation in organised sport.

In 2020 the School received funding of \$1,022 (2019: \$1,004) to increase our student participation in organised sport.

This funding was used to assist with funding of the school wide sports programme, purchasing equipment and providing educational activities outside the classroom.