

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE READERS OF DYER STREET SCHOOL'S FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

The Auditor-General is the auditor of Dyer Street School (the School). The Auditor-General has appointed me, Chrissie Murray, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

**Opinion**

We have audited the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2020; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 28 May 2021. This is the date at which our opinion is expressed.

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

**Basis for our opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of the Board of Trustees for the financial statements**

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Education Act 1989.

## **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

**Other information**

The Board of Trustees is responsible for the other information. The other information obtained at the date of our report is the analysis of variance, a Kiwisport statement and a list of the Trustees, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Independence**

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Chrissie Murray  
Baker Tilly Staples Rodway Audit Limited

On behalf of the Auditor-General  
Wellington, New Zealand

# DYER STREET SCHOOL

## ANNUAL REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2020**



# DYER STREET SCHOOL

**Learning for life**

|                      |  |
|----------------------|--|
| School Address:      | Dyer Street<br>Epuni, Lower Hutt   |
| School Phone:        | 04 567-8016  |
| School Email:        | <a href="mailto:office@dyerstreet.school.nz">office@dyerstreet.school.nz</a> |
| Ministry Number:     | 2833   |
| Accounting Provider: | Accounting For Schools Limited   |

# DYER STREET SCHOOL

Annual Report - For the year ended 31 December 2020

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# DYER STREET 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.

Angela Bingham  
Full Name of Board Chairperson

A Bingham  
Signature of Board Chairperson

26-5-2021  
Date:

Paula Weston  
Full Name of Principal

Paula Weston  
Signature of Principal

26-5-2021  
Date:

# DYER STREET SCHOOL

## Statement of Comprehensive Revenue and Expense For the year ended 31 December 2020

|   | Notes | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|---|-------|----------------------|-------------------------------------|----------------------|
| <b>Revenue</b>  |       |                      |                                     |                      |
| Government Grants   | 2     | 1,728,677            | 1,658,605                           | 1,650,212            |
| Locally Raised Funds  | 3     | 17,938               | 10,000                              | 61,252               |
| Interest Earned   |       | 1,947                | 3,000                               | 4,495                |
|   |       | <u>1,748,562</u>     | <u>1,671,605</u>                    | <u>1,715,959</u>     |
| <b>Expenses</b>   |       |                      |                                     |                      |
| Locally Raised Funds  | 3     | 4,980                | -                                   | 21,474               |
| Learning Resources  | 4     | 1,203,334            | 1,154,069                           | 1,164,893            |
| Administration  | 5     | 147,483              | 119,904                             | 129,519              |
| Finance Costs   |       | 978                  | 750                                 | 691                  |
| Property  | 6     | 345,482              | 353,250                             | 351,377              |
| Depreciation  | 7     | 29,256               | 42,000                              | 33,638               |
|   |       | <u>1,731,513</u>     | <u>1,669,973</u>                    | <u>1,701,592</u>     |
| <b>Net Surplus / (Deficit)</b>                              |       | 17,049               | 1,632                               | 14,367               |
| Other Comprehensive Revenue and Expenses                    |       | -                    | -                                   | -                    |
| <b>Total Comprehensive Revenue and Expense for the Year</b> |       | <u>17,049</u>        | <u>1,632</u>                        | <u>14,367</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.



## DYER STREET SCHOOL

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

|  | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| <b>Balance at 1 January</b>  | 236,651              | 236,651                             | 217,333              |
| Total comprehensive revenue and expense for the year   | 17,049               | 1,632                               | 14,367               |
| Capital Contributions from the Ministry of Education<br>Contribution - Furniture and Equipment Grant | -                    | -                                   | 4,951                |
| <b>Equity at 31 December</b>   | <b>253,700</b>       | <b>238,283</b>                      | <b>236,651</b>       |
| Retained Earnings  | 253,700              | 238,283                             | 236,651              |
| <b>Equity at 31 December</b>   | <b>253,700</b>       | <b>238,283</b>                      | <b>236,651</b>       |

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.





**DYER STREET SCHOOL**  
**Statement of Financial Position**  
**As at 31 December 2020**

|   | Notes | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|---|-------|----------------------|-------------------------------------|----------------------|
| <b>Current Assets</b>                     |       |                      |                                     |                      |
| Cash and Cash Equivalents                 | 8     | 299,764              | 221,583                             | 214,832              |
| Accounts Receivable                       | 9     | 72,808               | 65,500                              | 62,026               |
| GST Receivable                            |       | 4,734                | 1,000                               | 8,336                |
| Prepayments                               |       | 8,914                | 5,000                               | 4,338                |
| Inventories                               | 10    | 200                  | 200                                 | 200                  |
| Funds held for Capital Works Projects     | 16    | -                    | -                                   | 4,577                |
|   |       | <b>386,420</b>       | <b>293,283</b>                      | <b>294,309</b>       |
| <b>Current Liabilities</b>                |       |                      |                                     |                      |
| Accounts Payable                          | 12    | 108,315              | 100,000                             | 85,838               |
| Finance Lease Liability - Current Portion | 15    | 5,109                | 2,500                               | 4,136                |
| Funds for PB4L                            | 17    | 7,808                | 7,500                               | 9,232                |
| Painting Contract Liability               |       | 2,337                | -                                   | -                    |
| Revenue Received in Advance               | 13    | -                    | -                                   | 2,000                |
| Provision for Cyclical Maintenance        | 14    | 80,417               | 10,000                              | 20,000               |
| Funds held for Capital Works Projects     | 16    | 38,956               | -                                   | -                    |
|   |       | <b>242,942</b>       | <b>120,000</b>                      | <b>121,206</b>       |
| <b>Working Capital Surplus/(Deficit)</b>  |       | <b>143,478</b>       | <b>173,283</b>                      | <b>173,103</b>       |
| <b>Non-current Assets</b>                 |       |                      |                                     |                      |
| Property, Plant and Equipment             | 11    | 117,684              | 130,000                             | 126,950              |
|   |       | <b>117,684</b>       | <b>130,000</b>                      | <b>126,950</b>       |
| <b>Non-current Liabilities</b>            |       |                      |                                     |                      |
| Provision for Cyclical Maintenance        | 14    | -                    | 60,000                              | 60,000               |
| Painting Contract Liability               |       | 2,337                | -                                   | -                    |
| Finance Lease Liability                   | 15    | 5,125                | 5,000                               | 3,402                |
|   |       | <b>7,462</b>         | <b>65,000</b>                       | <b>63,402</b>        |
| <b>Net Assets</b>                         |       | <b>253,700</b>       | <b>238,283</b>                      | <b>236,651</b>       |
| <b>Equity</b>                             |       | <b>253,700</b>       | <b>238,283</b>                      | <b>236,651</b>       |

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



**DYER STREET SCHOOL**  
**Statement of Cash Flows**  
For the year ended 31 December 2020

|   | Note     | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|---|----------|----------------------|-------------------------------------|----------------------|
| <b>Cash flows from Operating Activities</b>                 |          |                      |                                     |                      |
| Government Grants   |          | 515,222              | 448,605                             | 442,823              |
| Locally Raised Funds  |          | 16,118               | 7,680                               | 63,192               |
| Goods and Services Tax (net)                                |          | 3,602                | 7,338                               | (7,517)              |
| Payments to Employees                                       |          | (292,597)            | (225,537)                           | (256,327)            |
| Payments to Suppliers                                       |          | (179,448)            | (170,092)                           | (189,454)            |
| Funds Administered on Behalf of Third Parties               |          | (1,424)              | (1,732)                             | (2,830)              |
| Cyclical Maintenance Payments in the year                   |          | (8,423)              | (21,250)                            | (8,131)              |
| Interest Paid   |          | (978)                | (750)                               | (691)                |
| Interest Received   |          | 1,947                | 3,000                               | 4,496                |
| <b>Net cash from / (to) the Operating Activities</b>        |          | <b>54,019</b>        | <b>47,262</b>                       | <b>45,561</b>        |
| <b>Cash flows from Investing Activities</b>                 |          |                      |                                     |                      |
| Purchase of PPE (and Intangibles)                           |          | (11,264)             | (67,166)                            | (15,492)             |
| <b>Net cash from / (to) the Investing Activities</b>        |          | <b>(11,264)</b>      | <b>(67,166)</b>                     | <b>(15,492)</b>      |
| <b>Cash flows from Financing Activities</b>                 |          |                      |                                     |                      |
| Furniture and Equipment Grant                               |          | -                    | -                                   | 4,951                |
| Finance Lease Payments                                      |          | (6,030)              | 22,078                              | (5,862)              |
| Funds Held for Capital Works Projects                       |          | 43,533               | 4,577                               | (4,577)              |
| Painting contract payments                                  |          | 4,674                | -                                   | (12)                 |
| <b>Net cash from Financing Activities</b>                   |          | <b>42,177</b>        | <b>26,655</b>                       | <b>(5,500)</b>       |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |          | <b>84,932</b>        | <b>6,751</b>                        | <b>24,569</b>        |
| Cash and cash equivalents at the beginning of the year      | 8        | 214,832              | 214,832                             | 190,263              |
| <b>Cash and cash equivalents at the end of the year</b>     | <b>8</b> | <b>299,764</b>       | <b>221,583</b>                      | <b>214,832</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 Cash Flow Statement should be read in conjunction with the accompanying notes which form part of these financial statements.



# DYER STREET SCHOOL

For the year ended 31 December 2020

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

#### a) Reporting Entity

Dyer Street 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.

##### *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 14.

# DYER STREET SCHOOL

For the year ended 31 December 2020

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

#### *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.

#### *Critical Judgements in applying accounting policies*

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

#### *Classification of leases*

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

#### *Recognition of grants*

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

### 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.



# **DYER STREET SCHOOL**

## **For the year ended 31 December 2020**

### **Notes to the Financial Statements**

#### **1. Statement of Accounting Policies**

##### **d) Use of Land and Buildings Expense**

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

##### **e) Operating Lease Payments**

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

##### **f) Finance Lease Payments**

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

##### **g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 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.





# DYER STREET SCHOOL

For the year ended 31 December 2020

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

#### k) Property, Plant and Equipment

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

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

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

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

#### Leased Assets

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

#### Depreciation

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

The estimated useful lives of the assets are:

|  |                             |
|--|-----------------------------|
| Buildings & Leasehold Improvements       | 5 - 20 years                |
| Furniture and equipment                  | 5 - 20 years                |
| Grounds Equipment                        | 10 years                    |
| Information and communication technology | 3 - 5 years                 |
| Library resources                        | 12.5% Diminishing value     |
| Staff Resources                          | 5 - 10 years                |
| Leased Assets                            | Term of Lease (3 - 5 years) |



# DYER STREET SCHOOL

For the year ended 31 December 2020

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

#### 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 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).



# DYER STREET SCHOOL

For the year ended 31 December 2020

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

#### q) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, funds held for capital works, and investments. All of these financial assets, except for investments that are shares, are categorised as "amortised cost" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "fair value through profit or loss" 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.





**DYER STREET SCHOOL**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**2. Government Grants**

|                                  | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|----------------------------------|----------------------|-------------------------------------|----------------------|
| Operational grants               | 395,655              | 318,605                             | 318,844              |
| Other MoE Grants                 | 119,567              | 130,000                             | 123,979              |
| Teachers' salaries grants        | 947,511              | 945,000                             | 943,888              |
| Use of Land and Buildings grants | 265,944              | 265,000                             | 263,501              |
|                                  | <u>1,728,677</u>     | <u>1,658,605</u>                    | <u>1,650,212</u>     |

The school has opted in to the donations scheme for this year. Total amount received was \$27,750.

Other MOE Grants total includes additional COVID-19 funding totalling \$23,179 for the year ended 31 December 2020.

**3. Locally Raised Funds**

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

|  | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| <b>Revenue</b>                                   |                      |                                     |                      |
| Activities                                       | 899                  | -                                   | 19,673               |
| Community Grants                                 | 2,000                | 2,000                               | 21,792               |
| Donations  | 435                  | -                                   | 6,498                |
| Fundraising                                      | 5,934                | -                                   | 2,258                |
| Other revenue                                    | 8,576                | 8,000                               | 10,937               |
| Trading  | 94                   | -                                   | 94                   |
|  | <u>17,938</u>        | <u>10,000</u>                       | <u>61,252</u>        |
| <b>Expenses</b>                                  |                      |                                     |                      |
| Activities                                       | 683                  | -                                   | 20,837               |
| Fundraising (costs of raising funds)             | 3,736                | -                                   | 637                  |
| Trading  | 561                  | -                                   | -                    |
|  | <u>4,980</u>         | <u>-</u>                            | <u>21,474</u>        |
| <i>Surplus for the year Locally raised funds</i> | <u>12,958</u>        | <u>10,000</u>                       | <u>39,778</u>        |

**4. Learning Resources**

|  | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| Curricular                               | 18,078               | 28,260                              | 21,213               |
| Employee Benefits - Salaries             | 1,164,760            | 1,102,609                           | 1,127,453            |
| Information and Communication Technology | 4,286                | 5,500                               | 5,365                |
| Library Resources                        | 291                  | 700                                 | 566                  |
| Staff Development                        | 15,919               | 17,000                              | 10,296               |
|  | <u>1,203,334</u>     | <u>1,154,069</u>                    | <u>1,164,893</u>     |

**DYER STREET SCHOOL**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**5. Administration**

|  | 2020           | 2020           | 2019           |
|--|----------------|----------------|----------------|
|  | Actual         | Budget         | Actual         |
|  | \$             | (Unaudited)    | \$             |
| Audit Fee                                      | 6,904          | 6,904          | 6,703          |
| Board of Trustees Fees                         | 3,475          | 4,200          | 3,425          |
| Board of Trustees Expenses                     | 823            | 1,000          | 1,496          |
| Communication                                  | 6,318          | 9,300          | 11,310         |
| Employee Benefits - Salaries                   | 94,206         | 68,000         | 73,683         |
| Insurance                                      | 5,062          | 5,000          | 4,430          |
| Other  | 23,795         | 18,900         | 21,572         |
| Service Providers, Contractors and Consultancy | 6,900          | 6,600          | 6,900          |
|  | <u>147,483</u> | <u>119,904</u> | <u>129,519</u> |

**6. Property**

|                                   | 2020           | 2020           | 2019           |
|-----------------------------------|----------------|----------------|----------------|
|                                   | Actual         | Budget         | Actual         |
|                                   | \$             | (Unaudited)    | \$             |
| Consultancy and Contract Services | 39,228         | 40,000         | 38,171         |
| Cyclical Maintenance Provision    | 8,840          | 11,250         | 19,832         |
| Grounds                           | 2,503          | 2,000          | 75             |
| Heat, Light and Water             | 13,271         | 17,000         | 13,392         |
| Repairs and Maintenance           | 12,868         | 15,000         | 12,855         |
| Security                          | 2,828          | 3,000          | 3,551          |
| Use of Land and Buildings         | 265,944        | 265,000        | 263,501        |
|                                   | <u>345,482</u> | <u>353,250</u> | <u>351,377</u> |

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

**7. Depreciation of Property, Plant and Equipment**

|  | 2020          | 2020          | 2019          |
|--|---------------|---------------|---------------|
|  | Actual        | Budget        | Actual        |
|  | \$            | (Unaudited)   | \$            |
| Furniture and Equipment                  | 8,228         | 11,500        | 9,125         |
| Grounds Equipment                        | 5,054         | 7,000         | 5,723         |
| Information and Communication Technology | 7,497         | 12,000        | 9,568         |
| Leased Assets                            | 6,023         | 7,250         | 5,701         |
| Leasehold Improvements                   | 1,084         | 2,500         | 2,071         |
| Library Resources                        | 1,186         | 1,500         | 1,266         |
| Plant & Machinery                        | 184           | 250           | 184           |
|  | <u>29,256</u> | <u>42,000</u> | <u>33,638</u> |



**DYER STREET SCHOOL**  
Notes to the Financial Statements  
For the year ended 31 December 2020

**8. Cash and Cash Equivalents**

|   | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|---|----------------------|-------------------------------------|----------------------|
| Bank Call Account                                     | 3,475                | 3,500                               | 3,472                |
| Bank Current Account                                  | 296,289              | 218,083                             | 211,360              |
| Net cash and cash equivalents for Cash Flow Statement | <u>299,764</u>       | <u>221,583</u>                      | <u>214,832</u>       |

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

**9. Accounts Receivable**

|  | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| Receivables                                | -                    | 500                                 | 180                  |
| Teacher Salaries Grant Receivable          | 72,808               | 65,000                              | 61,846               |
|  | <u>72,808</u>        | <u>65,500</u>                       | <u>62,026</u>        |
| Receivables from Exchange Transactions     | -                    | 500                                 | 180                  |
| Receivables from Non-Exchange Transactions | 72,808               | 65,000                              | 61,846               |
|  | <u>72,808</u>        | <u>65,500</u>                       | <u>62,026</u>        |

**10. Inventories**

|            | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|------------|----------------------|-------------------------------------|----------------------|
| Stationery | 200                  | 200                                 | 200                  |



**DYER STREET SCHOOL**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**11. Property, Plant and Equipment**

|                                    | Opening<br>Balance<br>(NBV) | Additions     | Disposals | Impairment | Depreciation    | Total (NBV)    |
|------------------------------------|-----------------------------|---------------|-----------|------------|-----------------|----------------|
| 2020                               | \$                          | \$            | \$        | \$         | \$              | \$             |
| Furniture and Equipment            | 44,446                      | 9,500         | -         | -          | (8,228)         | 45,718         |
| Grounds Equipment                  | 34,055                      | -             | -         | -          | (5,054)         | 29,001         |
| Information and Communication      | 15,298                      | 520           | -         | -          | (7,497)         | 8,321          |
| Leased Assets                      | 6,825                       | 8,726         | -         | -          | (6,023)         | 9,528          |
| Leasehold Improvements             | 15,928                      | -             | -         | -          | (1,084)         | 14,844         |
| Library Resources                  | 8,865                       | 1,243         | -         | -          | (1,186)         | 8,922          |
| Plant & Machinery                  | 1,534                       | -             | -         | -          | (184)           | 1,350          |
| <b>Balance at 31 December 2020</b> | <b>126,951</b>              | <b>19,989</b> | <b>-</b>  | <b>-</b>   | <b>(29,256)</b> | <b>117,684</b> |

The net carrying value of equipment held under a finance lease is \$9,528 (2019: \$6,824).

|                                    | Cost or<br>Valuation | Accumulated<br>Depreciation | Net Book<br>Value |
|------------------------------------|----------------------|-----------------------------|-------------------|
| 2020                               | \$                   | \$                          | \$                |
| Furniture and Equipment            | 161,370              | (115,652)                   | 45,718            |
| Grounds Equipment                  | 57,847               | (28,846)                    | 29,001            |
| Information and Communication      | 111,517              | (103,196)                   | 8,321             |
| Leased Assets                      | 30,842               | (21,314)                    | 9,528             |
| Leasehold Improvements             | 86,947               | (72,103)                    | 14,844            |
| Library Resources                  | 47,571               | (38,649)                    | 8,922             |
| Plant & Machinery                  | 2,161                | (811)                       | 1,350             |
| <b>Balance at 31 December 2020</b> | <b>498,255</b>       | <b>(380,571)</b>            | <b>117,684</b>    |

|                                    | Opening<br>Balance<br>(NBV) | Additions     | Disposals | Impairment | Depreciation    | Total (NBV)    |
|------------------------------------|-----------------------------|---------------|-----------|------------|-----------------|----------------|
| 2019                               | \$                          | \$            | \$        | \$         | \$              | \$             |
| Furniture and Equipment            | 44,084                      | 9,488         | -         | -          | (9,125)         | 44,447         |
| Grounds Equipment                  | 39,778                      | -             | -         | -          | (5,723)         | 34,055         |
| Information and Communication      | 18,862                      | 6,004         | -         | -          | (9,568)         | 15,298         |
| Leased Assets                      | 7,428                       | 5,097         | -         | -          | (5,701)         | 6,824          |
| Leasehold Improvements             | 17,999                      | -             | -         | -          | (2,071)         | 15,928         |
| Library Resources                  | 10,131                      | -             | -         | -          | (1,266)         | 8,865          |
| Plant & Machinery                  | 1,717                       | -             | -         | -          | (184)           | 1,533          |
| <b>Balance at 31 December 2019</b> | <b>139,999</b>              | <b>20,589</b> | <b>-</b>  | <b>-</b>   | <b>(33,638)</b> | <b>126,950</b> |



**DYER STREET SCHOOL**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**11. Property, Plant and Equipment (Cont.)**

|  | Cost or<br>Valuation<br>\$ | Accumulated<br>Depreciation<br>\$ | Net Book<br>Value<br>\$ |
|--|----------------------------|-----------------------------------|-------------------------|
| <b>2019</b>                              |                            |                                   |                         |
| Furniture and Equipment                  | 151,870                    | (107,423)                         | 44,447                  |
| Grounds Equipment                        | 57,847                     | (23,792)                          | 34,055                  |
| Information and Communication Technology | 110,997                    | (95,699)                          | 15,298                  |
| Leased Assets                            | 22,116                     | (15,292)                          | 6,824                   |
| Leasehold Improvements                   | 86,947                     | (71,019)                          | 15,928                  |
| Library Resources                        | 46,328                     | (37,463)                          | 8,865                   |
| Plant & Machinery                        | 2,161                      | (628)                             | 1,533                   |
| <b>Balance at 31 December 2019</b>       | <b>478,266</b>             | <b>(351,316)</b>                  | <b>126,950</b>          |

**12. Accounts Payable**

|                                       | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|---------------------------------------|----------------------|-------------------------------------|----------------------|
| Operating creditors                   | 9,219                | 26,000                              | 15,363               |
| Accruals                              | 5,704                | 7,000                               | 6,703                |
| Employee Entitlements - leave accrual | 2,355                | 2,000                               | 1,926                |
| Employee Entitlements - salaries      | 91,037               | 65,000                              | 61,846               |
|                                       | <b>108,315</b>       | <b>100,000</b>                      | <b>85,838</b>        |
| Payables for Exchange Transactions    | 108,315              | 100,000                             | 85,838               |
|                                       | <b>108,315</b>       | <b>100,000</b>                      | <b>85,838</b>        |

The carrying value of payables approximates their fair value.

**13. Revenue Received in Advance**

|                      | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|----------------------|----------------------|-------------------------------------|----------------------|
| McCarthy Trust Grant | -                    | -                                   | 2,000                |
|                      | <b>-</b>             | <b>-</b>                            | <b>2,000</b>         |



**DYER STREET SCHOOL**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**14. Provision for Cyclical Maintenance**

|   | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|---|----------------------|-------------------------------------|----------------------|
| Provision at the Start of the Year        | 80,000               | 80,000                              | 68,299               |
| Increase to the Provision During the Year | 8,840                | 11,250                              | 19,832               |
| Use of the Provision During the Year      | (8,423)              | (21,250)                            | (8,131)              |
| Provision at the End of the Year          | <u>80,417</u>        | <u>70,000</u>                       | <u>80,000</u>        |
| Cyclical Maintenance - Current            | 80,417               | 10,000                              | 20,000               |
| Cyclical Maintenance - Term               | -                    | 60,000                              | 60,000               |
|   | <u>80,417</u>        | <u>70,000</u>                       | <u>80,000</u>        |

**15. Finance Lease Liability**

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

|  | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| No Later than One Year                           | 5,109                | 2,500                               | 4,136                |
| Later than One Year and no Later than Five Years | 5,125                | 5,000                               | 3,402                |
|  | <u>10,234</u>        | <u>7,500</u>                        | <u>7,538</u>         |

**16. Funds Held for Capital Works Projects**

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

|   | 2020 | Opening<br>Balances<br>\$ | Receipts<br>from MoE<br>\$ | Payments<br>\$  | BOT<br>Contribution/<br>(Write-off to<br>R&M) | Closing<br>Balances<br>\$ |
|---|------|---------------------------|----------------------------|-----------------|---|---------------------------|
| Site Security Improvements <i>in progress</i> |      | (4,577)                   | 60,000                     | (16,467)        | -   | 38,956                    |
| Totals  |      | <u>(4,577)</u>            | <u>60,000</u>              | <u>(16,467)</u> | <u>-</u>                                      | <u>38,956</u>             |

**Represented by:**

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

-

(38,956)

38,956

|   | 2019 | Opening<br>Balances<br>\$ | Receipts<br>from MoE<br>\$ | Payments<br>\$ | BOT<br>Contribution/<br>(Write-off to<br>R&M) | Closing<br>Balances<br>\$ |
|---|------|---------------------------|----------------------------|----------------|---|---------------------------|
| Site Security Improvements <i>in progress</i> |      | -                         | -                          | (4,557)        | -   | (4,577)                   |
| Totals  |      | <u>-</u>                  | <u>-</u>                   | <u>(4,557)</u> | <u>-</u>                                      | <u>(4,577)</u>            |

**DYER STREET SCHOOL**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**17. Positive Behaviour for Learning Programme**

Dyer Street School is part of the Positive Behaviour for Learning Programme which is an initiative funded by the Ministry of Education to promote positive behaviour in the School.

|                                     | 2020<br>Actual<br>\$ | 2020<br>Budget<br>(Unaudited)<br>\$ | 2019<br>Actual<br>\$ |
|-------------------------------------|----------------------|-------------------------------------|----------------------|
| Funds held at beginning of the year | 9,232                | 9,232                               | 12,062               |
| <i>Revenue</i>                      |                      |                                     |                      |
| Other Revenue                       | -                    | -                                   | 139                  |
| Total funds available               | 9,232                | 9,232                               | 12,201               |
| <i>Expenses</i>                     |                      |                                     |                      |
| Other Expenses                      | (1,424)              | (1,732)                             | (2,969)              |
| Funds Held at Year End              | 7,808                | 7,500                               | 9,232                |

**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.





# DYER STREET 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, Deputy Principals and Heads of Departments.

|   | 2020<br>Actual<br>\$ | 2019<br>Actual<br>\$ |
|---|----------------------|----------------------|
| Remuneration                                | 3,475                | 3,425                |
| Full-time equivalent members                | 0.14                 | 0.06                 |
| <i>Leadership Team</i>                      |                      |                      |
| Remuneration                                | 195,570              | 228,280              |
| Full-time equivalent members                | 1.57                 | 2.00                 |
| Total key management personnel remuneration | 199,045              | 231,705              |
| Total full-time equivalent personnel        | 1.71                 | 2.06                 |

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<br>Actual<br>\$000 | 2019<br>Actual<br>\$000 |
|--|-------------------------|-------------------------|
| Salaries and Other Short-term Employee Benefits: |                         |                         |
| Salary and Other Payments                        | 130 - 140               | 130 - 140               |
| Benefits and Other Emoluments                    | 3 - 4                   | 3 - 4                   |

##### *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 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.





# DYER STREET 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 the following contractual agreements:

(i) Site Security Improvements at a total cost of \$91,179 which is fully funded by the Ministry, of which \$21,044 has been spent to date;

(ii) A painting contract with Programmed Maintenance Services was entered into in November 2019. The total value of the commitment is \$32,548. The total amount paid at balance date was \$16,274.

(Capital commitments at 31 December 2019: \$99,077).

##### (b) Operating Commitments

As at 31 December 2020 the Board has not entered into any operating commitments.

(Operating commitments at 31 December 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<br>Actual | 2020<br>Budget<br>(Unaudited) | 2019<br>Actual |
|--|----------------|-------------------------------|----------------|
| <b>Financial assets measured at amortised cost (2018: Loans and receivables)</b> |                |                               |                |
|  | \$             | \$                            | \$             |
| Cash and Cash Equivalents  | 299,764        | 221,583                       | 214,832        |
| Receivables  | 72,808         | 65,500                        | 62,026         |
| <b>Total Financial Assets Measured at Amortised Cost</b>                         | <b>372,572</b> | <b>287,083</b>                | <b>276,858</b> |
| <b>Financial liabilities measured at amortised cost</b>                          |                |                               |                |
| Payables   | 108,315        | 100,000                       | 85,838         |
| Finance Leases   | 10,234         | 7,500                         | 7,538          |
| Painting Contract Liability  | 4,674          | -                             | -              |
| <b>Total Financial Liabilities Measured at Amortised Cost</b>                    | <b>123,223</b> | <b>107,500</b>                | <b>93,376</b>  |

#### 24. Change to Prior Year Figures

To better match current year coding, some balances in the 2019 comparatives differ from those in the audited financials of the prior year. Learning resources expenditure has increased \$5,365, while administration has decreased by the same amount. This change does not affect net results, and is presentational in nature only.

#### 25. Events After Balance Date

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

