

INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF PARKLAND SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Parkland School (the School). The Auditor-General has appointed me, Vivien Cotton, using the staff and resources of Cotton Kelly Smit Ltd (CKS Audit), 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 23, that comprise the statement of financial position as at 31 December 2019, 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 2019; 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 Public Sector Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 26 May 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below and we draw your attention to other matters. 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.

Emphasis of Matter – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 24 on page 22 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

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 comprises the information included in the Analysis of Variance, the Kiwi Sport Statement, the list of Trustees and the Statement of Responsibility, 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: *International 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.

Vivien Cotton
CKS Audit
On behalf of the Auditor-General
Palmerston North, New Zealand

PARKLAND SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019



| | |
|--------------------------------|--|
| Ministry Number: | 2424 |
| Principal: | Peter Barnett |
| School Address: | 41 Parkland Crescent, Palmerston North 4410 |
| School Postal Address: | 41 Parkland Crescent, Palmerston North 4410 |
| School Phone: | 06 358 1469 |
| School Email: | office@parkland.school.nz |
| Accountant / Service Provider: | Accounting For Schools Limited |

PARKLAND SCHOOL

Annual Report - For the year ended 31 December 2019

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PARKLAND SCHOOL

Statement of Responsibility

For the year ended 31 December 2019

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 2019 fairly reflects the financial position and operations of the school.

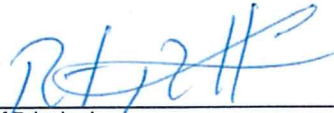
The School's 2019 financial statements are authorised for issue by the Board.

RICHARD LLOYD
Full Name of Board Chairperson


Signature of Board Chairperson

26/5/2020
Date:

Peter Barnett
Full Name of Principal


Signature of Principal

26/5/20
Date:

PARKLAND SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2019

| | Notes | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|---|-------|----------------------|-------------------------------------|----------------------|
| Revenue | | | | |
| Government Grants | 2 | 2,350,487 | 2,357,439 | 2,293,790 |
| Locally Raised Funds | 3 | 110,175 | 96,000 | 90,095 |
| Interest income | | 16,151 | 13,000 | 11,382 |
| | | <u>2,476,813</u> | <u>2,466,439</u> | <u>2,395,267</u> |
| Expenses | | | | |
| Locally Raised Funds | 3 | 80,371 | 53,300 | 42,540 |
| Learning Resources | 4 | 1,581,413 | 1,632,720 | 1,531,396 |
| Administration | 5 | 118,397 | 123,204 | 114,847 |
| Finance | | 953 | - | 1,005 |
| Property | 6 | 594,135 | 584,042 | 539,402 |
| Depreciation | 7 | 64,162 | 58,300 | 66,032 |
| Loss on Disposal of Property, Plant and Equipment | | - | - | 3,482 |
| | | <u>2,439,431</u> | <u>2,451,566</u> | <u>2,298,704</u> |
| Net Surplus / (Deficit) for the year | | 37,382 | 14,873 | 96,563 |
| Other Comprehensive Revenue and Expenses | | - | - | - |
| Total Comprehensive Revenue and Expense for the Year | | <u>37,382</u> | <u>14,873</u> | <u>96,563</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.



PARKLAND SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2019

| Notes | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Balance at 1 January | 960,963 | 960,965 | 864,400 |
| Total comprehensive revenue and expense for the year | 37,382 | 14,873 | 96,563 |
| Capital Contributions from the Ministry of Education | | | |
| Contribution - Furniture and Equipment Grant | 9,424 | - | - |
| Equity at 31 December | 1,007,769 | 975,838 | 960,963 |
| Retained Earnings | 1,007,769 | 975,838 | 960,963 |
| Reserves | - | - | - |
| Equity at 31 December | 1,007,769 | 975,838 | 960,963 |

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.



PARKLAND SCHOOL
Statement of Financial Position
As at 31 December 2019

| | Notes | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|---|-------|-------------------------|-------------------------------------|-----------------------|
| Current Assets | | | | |
| Cash and Cash Equivalents | 8 | 808,300 | 699,130 | 699,193 |
| Accounts Receivable | 9 | 104,508 | 91,870 | 152,444 |
| Funds held for Capital Works Projects | 16 | 55,650 | 73,500 | 52,571 |
| GST Receivable | | 43,215 | 12,000 | 7,822 |
| Prepayments | | 625 | 750 | 596 |
| Inventories | 10 | 1,143 | 1,500 | 1,441 |
| | | <u>1,013,441</u> | <u>878,750</u> | <u>914,067</u> |
| Current Liabilities | | | | |
| Accounts Payable | 12 | 154,830 | 115,200 | 115,901 |
| Revenue Received in Advance | 13 | 1,285 | 200 | 16,732 |
| Provision for Cyclical Maintenance | 14 | 5,000 | 5,000 | 4,667 |
| Finance Lease Liability - Current Portion | 15 | 7,137 | 4,500 | 6,884 |
| | | <u>168,252</u> | <u>124,900</u> | <u>144,184</u> |
| Working Capital Surplus/(Deficit) | | <u>845,189</u> | <u>753,850</u> | <u>769,883</u> |
| Non-current Assets | | | | |
| Property, Plant and Equipment | 11 | <u>235,220</u> | <u>271,488</u> | <u>245,229</u> |
| | | <u>235,220</u> | <u>271,488</u> | <u>245,229</u> |
| Non-current Liabilities | | | | |
| Provision for Cyclical Maintenance | 14 | 68,057 | 45,000 | 48,942 |
| Finance Lease Liability | 15 | 4,583 | 4,500 | 5,207 |
| | | <u>72,640</u> | <u>49,500</u> | <u>54,149</u> |
| Net Assets | | <u><u>1,007,769</u></u> | <u><u>975,838</u></u> | <u><u>960,963</u></u> |
| Equity | | <u><u>1,007,769</u></u> | <u><u>975,838</u></u> | <u><u>960,963</u></u> |

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



PARKLAND SCHOOL

Statement of Cash Flows

For the year ended 31 December 2019

| | | 2019 | 2019 | 2018 |
|---|----------|-----------------|-----------------|------------------|
| | Note | Actual | Budget | Actual |
| | | \$ | (Unaudited) | \$ |
| | | | \$ | |
| Cash flows from Operating Activities | | | | |
| Government Grants | | 513,631 | 498,597 | 488,012 |
| Locally Raised Funds | | 102,629 | 88,187 | 101,265 |
| Goods and Services Tax (net) | | (35,393) | (4,178) | (10,448) |
| Payments to Employees | | (169,759) | (198,907) | (184,717) |
| Payments to Suppliers | | (225,777) | (306,226) | (235,948) |
| Cyclical Maintenance Payments in the year | | - | (19,351) | (40,252) |
| Interest Paid | | (953) | - | (1,005) |
| Interest Received | | 16,505 | 13,091 | 11,382 |
| Net cash from Operating Activities | | 200,883 | 71,213 | 128,289 |
| Cash flows from Investing Activities | | | | |
| Purchase of PPE (and Intangibles) | | (38,637) | (84,559) | (73,264) |
| Purchase of Investments | | - | - | (9,131) |
| Net cash from Investing Activities | | (38,637) | (84,559) | (82,395) |
| Cash flows from Financing Activities | | | | |
| Furniture and Equipment Grant | | - | - | - |
| Finance Lease Payments | | (1,079) | (3,091) | (4,928) |
| Funds Held for Capital Works Projects | | (52,060) | (20,929) | (104,383) |
| Net cash from Financing Activities | | (53,139) | (24,020) | (109,311) |
| Net increase/(decrease) in cash and cash equivalents | | 109,107 | (37,366) | (63,417) |
| Cash and cash equivalents at the beginning of the year | 8 | 699,193 | 395,062 | 458,479 |
| Cash and cash equivalents at the end of the year | 8 | 808,300 | 357,696 | 395,062 |

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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Parkland School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 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 Act 1989 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".

Standard early adopted

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 25.

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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

Cyclical maintenance provision

A school recognises its obligation to maintain the 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.

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.



PARKLAND SCHOOL

Notes to the Financial Statements For the year ended 31 December 2019

1. Statement of Accounting Policies

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.

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. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Prior Year Policy

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

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.

Prior Year Policy

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

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 \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Finance Leases

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



PARKLAND SCHOOL

Notes to the Financial Statements For the year ended 31 December 2019

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 to Crown Owned Assets | 10–75 years |
| Furniture and equipment | 5–10 years |
| Information and communication technology | 3–5 years |
| Motor vehicles | 5 years |
| Textbooks | 3 years |
| Leased assets held under a Finance Lease | 3 years |
| Library resources | 12.5% Diminishing value |

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, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

o) Revenue Received in Advance

Revenue received in advance relates to fees 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) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

q) 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).

r) Financial Assets and Liabilities

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.

s) 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.

t) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

u) 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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

2. Government Grants

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|----------------------------------|----------------------|-------------------------------------|----------------------|
| Operational Grants | 451,302 | 419,439 | 433,248 |
| Teachers' Salaries Grants | 1,423,617 | 1,425,000 | 1,373,901 |
| Use of Land and Buildings Grants | 443,048 | 440,000 | 423,182 |
| Other MoE Grants | 32,175 | 73,000 | 63,459 |
| Other Government Grants | 345 | - | - |
| | <u>2,350,487</u> | <u>2,357,439</u> | <u>2,293,790</u> |

3. Locally Raised Funds

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

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Revenue | | | |
| Donations | 31,491 | 40,000 | 45,599 |
| Bequests & Grants | 11,350 | 4,000 | - |
| Activities | 55,974 | 48,000 | 18,120 |
| Trading | 11,102 | - | 9,147 |
| Fundraising | 258 | 4,000 | 17,229 |
| | <u>110,175</u> | <u>96,000</u> | <u>90,095</u> |
| Expenses | | | |
| Activities | 73,144 | 53,300 | 35,507 |
| Trading | 7,227 | - | 7,033 |
| | <u>80,371</u> | <u>53,300</u> | <u>42,540</u> |
| Surplus/ (Deficit) for the year Locally raised funds | <u>29,804</u> | <u>42,700</u> | <u>47,555</u> |



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

4. Learning Resources

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Curricular | 36,058 | 43,505 | 31,070 |
| Equipment Repairs | 6,666 | 9,500 | 4,934 |
| Information and Communication Technology | 6,273 | 7,000 | 7,274 |
| Library Resources | 3,851 | 5,500 | 2,377 |
| Employee Benefits - Salaries | 1,508,613 | 1,545,215 | 1,472,847 |
| Staff Development | 19,952 | 22,000 | 12,894 |
| | <u>1,581,413</u> | <u>1,632,720</u> | <u>1,531,396</u> |

5. Administration

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Audit Fee | 4,422 | 5,085 | 4,293 |
| Board of Trustees Fees | 3,475 | 6,000 | 3,640 |
| Board of Trustees Expenses | 5,176 | 4,750 | 3,339 |
| Communication | 1,704 | 3,300 | 2,271 |
| Consumables | 16,389 | 9,019 | 14,613 |
| Operating Lease | 548 | 600 | 370 |
| Other | 9,844 | 17,350 | 9,491 |
| Employee Benefits - Salaries | 67,182 | 67,000 | 67,347 |
| Insurance | 4,257 | 4,600 | 4,083 |
| Service Providers, Contractors and Consultancy | 5,400 | 5,500 | 5,400 |
| | <u>118,397</u> | <u>123,204</u> | <u>114,847</u> |



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

6. Property

| | 2019 | 2019 | 2018 |
|-------------------------------------|----------------|-----------------------|----------------|
| | Actual | Budget (Unaudited) | Actual |
| | \$ | \$ | \$ |
| Caretaking and Cleaning Consumables | 10,416 | 11,500 | 11,902 |
| Consultancy and Contract Services | 31,200 | 35,000 | 31,200 |
| Cyclical Maintenance Provision | 19,448 | 15,742 | 9,661 |
| Grounds | 19,921 | 21,600 | 14,546 |
| Heat, Light and Water | 23,512 | 23,700 | 22,286 |
| Rates | 2,663 | 2,500 | 2,836 |
| Repairs and Maintenance | 25,376 | 15,000 | 6,187 |
| Use of Land and Buildings | 443,048 | 440,000 | 423,182 |
| Security | 1,766 | 3,500 | 2,261 |
| Employee Benefits - Salaries | 16,785 | 15,500 | 15,341 |
| | <u>594,135</u> | <u>584,042</u> | <u>539,402</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

| | 2019 | 2019 | 2018 |
|--|---------------|-----------------------|---------------|
| | Actual | Budget (Unaudited) | Actual |
| | \$ | \$ | \$ |
| Building Improvements - Crown | 3,794 | 3,447 | 3,536 |
| Furniture and Equipment | 19,572 | 17,784 | 22,493 |
| Information and Communication Technology | 30,196 | 27,437 | 29,365 |
| Leased Assets | 6,518 | 5,922 | 6,113 |
| Library Resources | 4,082 | 3,709 | 4,525 |
| | <u>64,162</u> | <u>58,300</u> | <u>66,032</u> |



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

8. Cash and Cash Equivalents

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Bank Current Account | 120,850 | 25,000 | 25,373 |
| Bank Call Account | 373,718 | 370,000 | 369,690 |
| Short-term Bank Deposits | 313,732 | 304,130 | 304,130 |
| Cash and cash equivalents for Cash Flow Statement | 808,300 | 699,130 | 699,193 |

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

9. Accounts Receivable

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Receivables | 308 | 500 | 4,977 |
| Interest Receivable | 2,737 | 3,000 | 3,091 |
| Banking Staffing Underuse | 9,279 | - | 47,704 |
| Teacher Salaries Grant Receivable | 92,184 | 88,370 | 96,672 |
| | 104,508 | 91,870 | 152,444 |
| Receivables from Exchange Transactions | 3,045 | 3,500 | 8,068 |
| Receivables from Non-Exchange Transactions | 101,463 | 88,370 | 144,376 |
| | 104,508 | 91,870 | 152,444 |

10. Inventories

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|------------|----------------------|-------------------------------------|----------------------|
| Stationery | 1,143 | 1,500 | 1,441 |
| | 1,143 | 1,500 | 1,441 |



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

11. Property, Plant and Equipment

| | Opening Balance (NBV) \$ | Additions \$ | Disposals \$ | Impairment \$ | Depreciation \$ | Total (NBV) \$ |
|---|-----------------------------------|-----------------|-----------------|------------------|--------------------|-------------------|
| 2019 | | | | | | |
| Building Improvements | 83,917 | 6,389 | - | - | (3,794) | 86,512 |
| Furniture and Equipment | 79,240 | 6,633 | - | - | (19,572) | 66,300 |
| Information and Communication Technology | 40,440 | 31,112 | - | - | (30,196) | 41,356 |
| Leased Assets | 9,960 | 6,093 | - | - | (6,518) | 9,535 |
| Library Resources | 31,672 | 3,928 | - | - | (4,082) | 31,518 |
| Balance at 31 December 2019 | 245,229 | 54,155 | - | - | (64,162) | 235,220 |

The net carrying value of equipment held under a finance lease is \$9,534 (2018: \$9,960).

| | Cost or Valuation \$ | Accumulated Depreciation \$ | Net Book Value \$ |
|---|----------------------------|-----------------------------------|-------------------------|
| 2019 | | | |
| Building Improvements | 194,302 | (107,791) | 86,512 |
| Furniture and Equipment | 575,041 | (508,741) | 66,300 |
| Information and Communication Technology | 224,162 | (182,806) | 41,356 |
| Leased Assets | 25,095 | (15,560) | 9,535 |
| Library Resources | 72,473 | (40,955) | 31,518 |
| Balance at 31 December 2019 | 1,091,073 | (855,853) | 235,220 |

| | Opening Balance (NBV) \$ | Additions \$ | Disposals \$ | Impairment \$ | Depreciation \$ | Total (NBV) \$ |
|---|--------------------------------|-----------------|-----------------|------------------|--------------------|-------------------|
| 2018 | | | | | | |
| Building Improvements | 64,917 | 22,537 | - | - | (3,536) | 83,918 |
| Furniture and Equipment | 72,506 | 29,228 | - | - | (22,493) | 79,241 |
| Information and Communication Technology | 51,013 | 18,812 | (20) | - | (29,365) | 40,440 |
| Leased Assets | 4,621 | 11,452 | - | - | (6,113) | 9,960 |
| Library Resources | 33,490 | 6,169 | (3,462) | - | (4,525) | 31,672 |
| Balance at 31 December 2018 | 226,547 | 88,198 | (3,482) | - | (66,032) | 245,231 |



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

11. Property, Plant and Equipment cont.

| | Cost or Valuation \$ | Accumulated Depreciation \$ | Net Book Value \$ |
|--|----------------------------|-----------------------------------|-------------------------|
| 2018 | | | |
| Building Improvements | 187,915 | (103,998) | 83,917 |
| Furniture and Equipment | 568,409 | (489,169) | 79,240 |
| Information and Communication Technology | 193,049 | (152,609) | 40,440 |
| Leased Assets | 19,003 | (9,043) | 9,960 |
| Library Resources | 68,545 | (36,873) | 31,672 |
| Balance at 31 December 2018 | 1,036,921 | (791,692) | 245,229 |

12. Accounts Payable

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|---------------------------------------|----------------------|-------------------------------------|----------------------|
| Operating Creditors | 53,698 | 13,500 | 9,614 |
| Accruals | 4,422 | 4,200 | 4,293 |
| Employee Entitlements - Salaries | 92,184 | 93,000 | 96,672 |
| Employee Entitlements - Leave Accrual | 4,526 | 4,500 | 5,322 |
| | 154,830 | 115,200 | 115,901 |
| Payables for Exchange Transactions | 154,830 | 115,200 | 115,901 |
| | 154,830 | 115,200 | 115,901 |

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|-----------|----------------------|-------------------------------------|----------------------|
| PTA Funds | 1,010 | - | 4,242 |
| Camp Fees | 275 | 200 | 12,490 |
| | 1,285 | 200 | 16,732 |



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

14. Provision for Cyclical Maintenance

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Provision at the Start of the Year | 53,609 | 53,609 | 84,200 |
| Increase/ (decrease) to the Provision During the Year | 19,448 | 15,742 | 9,661 |
| Use of the Provision During the Year | - | (19,351) | (40,252) |
| Provision at the End of the Year | <u>73,057</u> | <u>50,000</u> | <u>53,609</u> |
| Cyclical Maintenance - Current | 5,000 | 5,000 | 4,667 |
| Cyclical Maintenance - Term | 68,057 | 45,000 | 48,942 |
| | <u>73,057</u> | <u>50,000</u> | <u>53,609</u> |

15. Finance Lease Liability

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

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| No Later than One Year | 7,137 | 4,500 | 6,884 |
| Later than One Year and no Later than Five Years | 4,583 | 4,500 | 6,368 |
| | <u>11,720</u> | <u>9,000</u> | <u>13,252</u> |



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

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:

| 2019 | | Opening Balances | Receipts from MoE | Payments | BOT Contributions | Closing Balances |
|---------------------------------------|--------------------|---------------------|----------------------|-----------|----------------------|---------------------|
| | | \$ | \$ | \$ | \$ | \$ |
| Block 1 & 10 Roof Remediation | <i>completed</i> | 950 | - | (950) | - | - |
| Block 3 & 17 ILE Upgrade and Toilet B | <i>in progress</i> | (44,976) | 391,095 | (401,769) | - | (55,650) |
| Hall Development | <i>in progress</i> | (8,545) | - | - | 8,545 | - |
| Totals | | (52,571) | 391,095 | (402,719) | 8,545 | (55,650) |

Represented by:

Funds Held on Behalf of the Ministry of Education

-

Funds Due from the Ministry of Education

(55,650)

(55,650)

| 2018 | | Opening Balances | Receipts from MoE | Payments | BOT Contributions | Closing Balances |
|--|--------------------|---------------------|----------------------|-----------|----------------------|---------------------|
| | | \$ | \$ | \$ | \$ | \$ |
| Security Alarm Upgrade | <i>completed</i> | (5,844) | 2,429 | 3,212 | 203 | - |
| Fire Alarm | <i>completed</i> | 47,496 | 5,565 | (53,061) | - | - |
| Block 1 & 10 Roof Remediation | <i>in progress</i> | - | 10,594 | (9,644) | - | 950 |
| Block 1, 2 & 10 Replace Floor covering | <i>completed</i> | - | 20,028 | (20,028) | - | - |
| Block 3 & 17 ILE Upgrade and Toilet B | <i>in progress</i> | (13,714) | - | (31,262) | - | (44,976) |
| Hall Redevelopment | <i>in progress</i> | - | - | (8,545) | - | (8,545) |
| Totals | | 27,938 | 38,616 | (119,328) | 203 | (52,571) |

17. 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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

18. Remuneration

Key management personnel compensation

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

| | 2019 Actual \$ | 2018 Actual \$ |
|---|----------------------|----------------------|
| <i>Board Members</i> | | |
| Remuneration | 3,475 | 3,640 |
| Full-time equivalent members | 0.03 | 0.08 |
| <i>Leadership Team</i> | | |
| Remuneration | 522,465 | 326,674 |
| Full-time equivalent members | 5 | 3 |
| Total key management personnel remuneration | 525,940 | 330,314 |
| Total full-time equivalent personnel | 5.03 | 3.08 |

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:

| | 2019 Actual \$000 | 2018 Actual \$000 |
|--|-------------------------|-------------------------|
| Salaries and Other Short-term Employee Benefits: | | |
| Salary and Other Payments | 140 - 150 | 130 - 140 |
| Benefits and Other Emoluments | 3 - 4 | 3 - 4 |
| Termination Benefits | - | - |

Other Employees

There were no other employees with remuneration greater than \$100,000 (2018: nil).

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



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

19. Compensation and Other Benefits Upon Leaving

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

| | 2019 Actual | 2018 Actual |
|------------------|----------------|----------------|
| Total | - | - |
| Number of People | - | - |

20 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: 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 has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

21. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has entered into contract agreements for capital works as follows:

(a) A contract for Block 3 & 17 ILE upgrade with a total value of \$631,225 of which \$434,550 is funded by the Ministry and \$196,675 by the Board. \$391,095 funding has been received and \$446,745.45 has been spent to date; and

(Capital commitments at 31 December 2018: A contract for Block 3 & 17 ILE upgrade. No funds have been received but \$44,976 has been spent on the project to balance date.)



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

(b) Operating Commitments

As at 31 December 2019 the Board has entered into the following contracts:

(a) operating lease of a photocopier service charge for \$10,556 p/a until March 2021;

| | 2019 Actual \$ | 2018 Actual \$ |
|--|----------------------|----------------------|
| No later than One Year | 10,556 | 10,556 |
| Later than One Year and No Later than Five Years | 3,195 | 13,195 |
| Later than Five Years | - | - |
| | <u>13,751</u> | <u>23,751</u> |

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:

Financial assets measured at amortised cost (2018: Loans and receivables)

| | 2019 Actual \$ | 2019 Budget (Unaudited) \$ | 2018 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Cash and Cash Equivalents | 808,300 | 699,130 | 699,193 |
| Receivables | 104,508 | 91,870 | 152,444 |
| Total Financial assets measured at amortised cost | <u>912,808</u> | <u>791,000</u> | <u>851,637</u> |

Financial liabilities measured at amortised cost

| | | | |
|--|----------------|----------------|----------------|
| Payables | 154,830 | 115,200 | 115,901 |
| Finance Leases | 11,720 | 9,000 | 12,091 |
| Total Financial Liabilities Measured at Amortised Cost | <u>166,550</u> | <u>124,200</u> | <u>127,992</u> |

24. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2019

25. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 9 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements.



PARKLAND SCHOOL

Members of the Board of Trustees

For the year ended 31 December 2019

| Name | Position | How position on Board gained | Occupation | Term expired/expires |
|-----------------------|----------------------|------------------------------|----------------|----------------------|
| Richard Lloyd | Chairman | Elected | Manager | May 2022 |
| Peter Barnett | Principal ex officio | Principal | | |
| Jules Grace | Parent Rep | Elected | Business Owner | May 2022 |
| Bryan Ousey | Parent Rep | Elected | Manager | May 2022 |
| Heidi Burden | Parent Rep | Elected | Head Teacher | May 2022 |
| Kelly Franklin-Browne | Parent Rep | Elected | | May 2022 |
| Carolyn Jones | Staff Rep | Elected | Teacher | May 2022 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

PARKLAND SCHOOL 2424

KIWISPORT FUNDING 2019



Kiwisport is a Government funded initiative to support students' participation in organised sport.

In 2019 Parkland School received \$4275.78 (exc) in Kiwisport Funding. The funding contributed to a schoolwide swimming programme in September 2019.

The percentage of children (whole school roll) involved in organised sport continues to be high at around the 75% level

A handwritten signature in blue ink, appearing to read 'Peter Barnett', is written over a faint, larger version of the same signature.

Peter Barnett

Principal

PARKLAND SCHOOL (2424) ANALYSIS OF VARIANCE REPORT 2019 YEAR 4 LITERACY



| Strategic Aim | Annual Aim – Year 4 Literacy | Target |
|--|--|---|
| All students will achieve at or beyond national expectations at their level. | There are a group of students from Year 3 in 2018 with Stanines between 2 and 4 who have not reached the NZ average scaled score in the STAR Test. (Reading) We believe they are all capable of doing so. | The goal for the identified students is to improve their scaled score so that they reach or surpass the Year 4 National Scaled Score Average in 2019 of at least 81.4 |

| Baseline Data - Scaled Scores STAR 2018 | Outcomes Scaled Score - STAR 2019 (Average Progress in Y4- 27) Goal of 81.4 |
|---|--|
| Student 1 (TT) 49.8 Student 2 (BG) 59.9 Student 3 (TH) 64.7 Student 4 (CD) 67 Student 5 (AP) 69.3 Student 6 (NAL) 59.9 Student 7 (KH) 74.1 Student 8 (RC) 65.8 Student 9 (LN) 76.6 Student 10 (HG) 58.6 Student 11 (LW) 49.8 Student 12 (ZC) 53.1 Student 13 (CB) 53.1 Student 14 (TW) 62.3 Student 15 (TTH) 63.5 Student 16 (JR) 65.8 Student 17 (KH) 69.3 Student 18 (NW) 58.6 Student 19 (MW) 75.3 Student 20 (ST) 71.7 Student 21 (LV) 66.8 | Student 1 77.8 (27) Student 2 89.9 (30) Student 3 82.5 (17.8) Student 4 97.2 (30.2) Student 5 91.2 (21.9) Student 6 Ab Student 7 97 (22.9) Student 8 95 (29.2) Student 9 105 (28.4) Student 10 89 (30.4) Student 11 67.7 (17.9) Student 12 ab Student 13 83.6 (30.5) Student 14 94 (31.7) Student 15 97.2 (33.7) Student 16 82.5 (19.7) Student 17 92.6 (23.3) Student 18 81.3 (22.7) Student 19 102.7 (27.4) Student 20 97.2 (25.2) Student 21 107.5 (40.7) |

| Actions Taken | Variance Comment | Next Steps |
|--|--|---|
| <p>What did we trial, change, do differently?</p> <ul style="list-style-type: none"> • Discussion about reading planning and focussing on cloze, vocab, word recognition. • Margaret shared the KEY resource • Boys in Literacy Course Term 1 • Analysed STAR 2018 data • Jacqueline shared with us STAR test - skills and strategies each section focuses on. • Formal PLCs each term • Reading data - Running Records • We STAR tested term 2 with target children • <u>Errorless Learning</u> • Target children highlighted in planning • Recreational reading - huge emphasis • Book reviews in Team Assemblies • PD session with Sheena Cameron on Reading • Discussions about testing strategies • Big focus on cloze - some classes completing cloze tasks weekly • Analysis of STAR - comparing this year with last year | <ul style="list-style-type: none"> • Of those three children who did not reach 81.4 student one has just been assessed by RTLB as working around a 6-yr level, he has limited processing skills, student 2 has been diagnosed with Dyslexia, student 3 was 0.1 off reaching 81.4. • Ten of our children made the STAR scale score expected increase from Year 3 to Year 4 (27.6) . Two who didn't were 0.1 and 0.4 off achieving 27.6, one of our students scored 81.4 but didn't make the expected progress of 27.6 - he had 2 weeks off sick prior to the test and said he had done no reading in the two weeks. One of our students did not answer 14 questions - the test is out of 45. • Out of 21 children 18 children scored 81.4 or more (our goal was to surpass the Year 4 National Scaled Score Average in 2019 of at least 81.4. • We have observed that our children are now much more eager to read. They are often seen reading for enjoyment, more children are visiting libraries, a lot more children reading chapter books and finding a series they enjoy. Children are sharing books and talking about what they are reading more. • Student A scored 107.5 - his scale score improved by 40.7 (Expected STAR increase of scale score from Yr 3 to Yr 4 is 27.6). • Seven students in the group made accelerated progress. • Huge improvement with cloze | <ul style="list-style-type: none"> • Retain our focus on cloze, vocab, phonological awareness • Keep encouraging reading for enjoyment • Continue to encourage students to share and discuss books • Children to understand to get better at reading they must be reading more. • Continue to analyse STAR data at the beginning of the year • Make sure those students who score low at the beginning to the year are identified and go through the LEXIA programme • Teachers remain positive about reading, model the behaviour of good reading. • Keep reading about to our children. |

PARKLAND SCHOOL (2424) ANALYSIS OF VARIANCE REPORT 2019

YEAR 5 MATHEMATICS



| Strategic Aim | Annual Aim – | Target |
|--|--|--|
| All students will achieve at or beyond national expectations at their level. | This cohort contains an explicit target group of 14 Year 4 (2018) students with Stanines between 7-9 who made negative scaled score progress in 2018 and have dropped their Stanine. | The GOAL for every Year 5 learner is to individual Scaled Scores from Term 4 2018 by at least 8.3 during 2019. |
| | The aim for this target group is to meet or surpass the national average rate of progress. | (This is the NZ average progress between Year 4 & 5) |

| Baseline Data | | | Outcomes | |
|----------------------------|----------------------|----------------------------|----------------------|-------------|
| Year 5 | PAT 2018 SCALE SCORE | Year 5 | PAT 2019 Scale Score | Progress |
| | | | Average Y5 38.9 | Average 8.3 |
| Student 1 (GW) Room 8-Y5 | 33.5 | Student 1 (GW) Room 8-Y5 | 49.6 | + 16.1 |
| Student 2 (CC) Room 8-Y5 | 50.8 | Student 2 (CC) Room 8-Y5 | 64.3 | + 13.5 |
| Student 3 (BD) Room 7-Y5 | 43.8 | Student 3 (BD) Room 7-Y5 | 45.8 | + 2.0 |
| Student 4 (SG) Room 7-Y5 | 39.3 | Student 4 (SG) Room 7-Y5 | 52.2 | + 12.9 |
| Student 5 (EDM) Room 7-Y5 | 55.3 | Student 5 (EDM) Room 7-Y5 | 66.9 | + 11.6 |
| Student 6 (LH) Room 12-Y5 | 52.9 | Student 6 (LH) Room 12-Y5 | 82 | + 29.1 |
| Student 7 (AB) Room 11-Y5 | 48.9 | Student 7 (AB) Room 11-Y5 | 62 | + 13.1 |
| Student 8 (GHN) Room 11-Y5 | 48.9 | Student 8 (GHN) Room 11-Y5 | 52.2 | + 3.3 |
| Student 9 (IS) Room 11-Y5 | 50.8 | Student 9 (IS) Room 11-Y5 | 53.6 | + 2.8 |
| Student 10 (TS) Room 11-Y5 | 50.8 | Student 10 (TS) Room 11-Y5 | 62 | + 11.2 |
| Student 11 (TS) Room 11-Y5 | 40.8 | Student 11 (TS) Room 11-Y5 | 62 | + 21.2 |
| Student 12 (JP) Room 11-Y5 | 58.1 | Student 12 (JP) Room 11-Y5 | 60 | + 1.9 |

| | | | | | |
|----------------------------|------|----------------------------|------|---|-----|
| Student 13 (BN)Room 11-Y5 | 42.3 | Student 13 (BN)Room 11-Y5 | 49.6 | + | 7.3 |
| Student 14 (CW) Room 11-Y5 | 55.3 | Student 14 (CW) Room 11-Y5 | 74.7 | | |

| Actions Taken | Variance Comment | Next Steps |
|---|--|--|
| <p>Teachers worked in pairs and focussed on the students in these rooms.</p> <p>T1 - Set up 'Maths Mates' in groups working on open-ended, low-floor high-ceiling problem solving tasks. We carried out work that provided lots of opportunities for students to explain their mathematical reasoning and thinking through our daily Panga (puzzle). We shared these with families via our Senior Team Blog.</p> <p>T2 - Set day each week to complete set tasks on Mathematics, expectation of 2000 points per week pushed and celebrated. Single and Double group hui set up. Made observations of student work and assessments (IKAN/BF) and chose to focus on fractions and place value. Introduced ideas as part of Daily Hot Spot (such as negative integers, halving double digit numbers/odd numbers) Carried out 'Fraction Talks'</p> <p>T3 - Started using our 'topic table' to get to grips with coverage of the curriculum. Made sure some of our daily Panga covered aspects of the PAT analysis of areas of misconception or error for the target group. Worked to integrate different topic areas - eg, position and orientation, scale, percentage, decimals. Measurement - length, area, perimeter, volume and as practical as possible.</p> | <p>We have noticed many students using language like "Can you help me try this, I want to be challenged" and "I can see where I went wrong - I did ..."</p> <p>We have noticed students beginning to work better with a range of other students - learning to listen to someone else's thinking and being able to articulate their own.</p> <p>We have seen students becoming better at drawing models to help them 'unpack' a problem. We have been encouraging them to read it through 1st time - what's the context (eg. sheep in paddock, metres around a field...), think how this could be represented as a diagram. 2nd time - what information have we been given? Add this to your diagram. 3rd time - what is it asking us to do? Or do we have to pose our own questions (numberless word problems). Work on solving, then read again to check you have answered it.</p> <ul style="list-style-type: none"> - 9 out of 14 Year 5 students made accelerated progress over the year. - 4 of those students made more than two years progress. - 1 student made more than three years progress - 5 students did not achieve the goal. - NB: All 14 students are still achieving at a level above the national average for year 5. | <ul style="list-style-type: none"> - Analyse errors and trends from this years PAT Data to inform important teaching areas next year. - The seven students who did not make the expected progress would need to be closely monitored next year, either as target students for Year Six teachers next year or by current teachers sharing these outcomes with Intermediate Teachers for next year. - Continue to teach how to test, a range of students, including target students, rushed through the test quite quickly. Focus on comprehension of questions-Links to the Middle Team Inquiry-Great results in the Middle Team PAT Data due to the comprehension work they have done. - It was identified that some students struggled to solve the PAT questions independently. By reading through the questions with them during the assessment, they were more able to understand and identify the maths they need to solve. - Continue to develop consistency of curriculum coverage across the team, to make sure we are teaching areas in depth and not just skimming the surface. |

PARKLAND SCHOOL (2424) ANALYSIS OF VARIANCE REPORT 2019

YEAR 6 MATHEMATICS



| Strategic Aim | Annual Aim – | Target |
|--|--|---|
| All students will achieve at or beyond national expectations at their level. | The aim for this target group is to meet or surpass the national average rate of progress. | The GOAL for every Year 6 learner is to progress their individual scaled score by at least 6.2 during 2019. (This is the NZ average scaled score progress between Year 5 & 6) |
| This cohort contains an explicit target group of 10 students who have not reached the expected scaled score level of progress. | | |

| Baseline Data | | | Outcomes |
|----------------------------|----------------------|------------------------------|--|
| Year 6 | PAT 2018 Scale Score | PAT 2019 Scale Score | Progress |
| | | Average Y6 Scaled Score 45.1 | Average SS progress between Y5 & Y6 is 6.2 |
| Student 1 (AW) Room 8-Y6 | 42.1 | 50.7 | + 8.6 |
| Student 2 (JD) Room 8-Y6 | 52.2 | 72.5 | + 20.3 |
| Student 3 (TB) Room 8-Y6 | 64.3 | 65.7 | + 1.4 |
| Student 4 (JS) Room 7-Y6 | 52.2 | 63.9 | + 11.7 |
| Student 5 (GH) Room 7-Y6 | 49.6 | 53.1 | + 3.5 |
| Student 6 (PLM) Room 11-Y6 | 38.5 | 42.4 | + 3.9 |
| Student 7 (LT) Room 11-Y6 | 60 | 69.8 | + 9.8 |
| Student 8 (SFB) Room 11-Y6 | 70.2 | 97.6 | + 27.4 |
| Student 9 (RR) Room 12-Y6 | 24.0 | 42.4 | + 18.4 |

| Actions Taken | Variance Comment | Next Steps |
|---|---|--|
| <p>T1 - Big push in Room 11 and 12 (and across the Senior Team) to have 100% of students accessing Mathletics with an expectation that students achieve 2000 points each week. Identified target students learning needs through raw data, teacher observations and anecdotal evidence.</p> <p>T2 - Established far more effective collaborative practices between teachers with the introduction of a new teacher in Room 12. Cross grouped the students in both classes according to learning needs and overall stage levels with a strong focus on place value in particular. We removed the timer from singles and doubles to emphasise the fact students shouldn't be stopping just because there is ten seconds left.</p> <p>T3 - Based on external observations and ongoing PD (educamp), we made necessary adjustments to our mathematical programme to create an inclusive learning environment with a focus on teamwork and collaboration. We did this by giving the students a survey about how confident they feel during Maths and who they enjoy working with. Using this information we created 'Maths Buddies' and Maths Groups to work in which also had a range of learning levels between them.</p> <p>T4 - After looking into student learning needs, based on Term 3 IKAN results and ongoing teacher judgements, we decided to continue the Problem Solving programme we set up for two days a week and work individually in ability based groups for the other two days.</p> | <p>We noticed a lack of engagement during Maths towards the end of Term Two, which is why we made the drastic changes in Term Three.</p> <p>We have noticed more competition between classes trying to achieve the most students over 2000 points in order to win the Mathletics Trophy, which means they are more engaged in their independent Maths work.</p> <p>We have noticed since we have begun using talk moves more effectively, the students have picked up on these and have begun to use them as well.</p> <p>We have noticed students are beginning to work more collaboratively than before. They are justifying their thinking, questioning others (respectfully) and are excited to share their ideas with their buddies or their groups.</p> <p>We have noticed more able students stepping into leadership roles within groups (and in general class time e.g. quizzes) to mentor and teach their peers who may not be as sure-Tuakana Teina</p> <ul style="list-style-type: none"> - 6 out of 9 students made accelerated progress - 3 of those made more than two year's progress within the twelve month period. - 7 out of 9 students are achieving above the average scaled score for Year 6 of 45.1 - Only 2 students did not quite meet that goal but are close. One of those made considerable growth. (24 to 42 scaled score points) | <ul style="list-style-type: none"> - Analyse errors and trends from this years PAT Data to inform important teaching areas next year. - The seven students who did not make the expected progress would need to be closely monitored next year, either as target students for Year Six teachers next year or by current teachers sharing these outcomes with Intermediate Teachers for next year. - Continue to teach how to test, a range of students, including target students, rushed through the test quite quickly. Focus on comprehension of questions-Links to the Middle Team Inquiry-Great results in the Middle Team PAT Data due to the comprehension work they have done. - It was identified that some students struggled to solve the PAT questions independently. By reading through the questions with them during the assessment, they were more able to understand and identify the maths they need to solve. - Continue to develop consistency of curriculum coverage across the team, to make sure we are teaching areas in depth and not just skimming the surface. |

28 May 2020

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www.auditors.co.nz

Phone 06 354 3685

Dear Board,

The Audited Financial Statements

Please find attached your 31 December 2019 Audit Report and the associated Financial Statements.

Ministry Filing Requirements

It is the responsibility of the Board to submit your Annual Report to the MOE by the 31 May 2020:

A single PDF file of your Annual Report, including the stamped audited financial statements must be submitted to the Ministry of Education via the Ministry's School Data Portal. The Annual Report must contain the following:

- Financial Statements attached which includes Statement of Responsibility signed and dated
- Audit Report signed and dated
- List of Board of Trustees members and the dates they go out of office
- Statement on Kiwisport funding
- Analysis of Variance

For your ease we have emailed to you the entire document as one PDF file.

Website Publication

Boards must also ensure the Annual Report is available to the public on an internet site maintained by, or on behalf of the Board (Education Act 1989 s87AB) e.g. your website. Please ensure that this is uploaded promptly to comply with this requirement.

The Management Report

The Management Report which is addressed to the Board outlining our comments for improvement, will be forwarded to your School shortly with the original signed audited financial statements.

Please note that the Management Report is NOT to be uploaded to your school website, or the MOE Portal, as the content of this report is confidential to the Board.

Thank You

Thank you for all your help in achieving this result. Covid-19 has definitely put pressure on the process this year, and we have greatly appreciated the timely response from you for all our questions and queries raised.



Viv Cotton
Director

