

OTAGO GIRLS' HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 378

Principal: Linda Miller

School Address: 41 Tennyson Street, Dunedin Central

School Postal Address: 41 Tennyson Street, Dunedin Central 9016

School Phone: 03 474 0496

School Email: admin@otagogirls.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term
Lyn Hurring	Chair Person	Elected May 2019	Expired/ May-22
Linda Miller	Principal ex Officio		
Ann Bixley	Parent Rep	Elected May 2019	May-22
Shane de la Harpe	Parent Rep	Elected May 2019	May-22
Tony Gomez	Parent Rep	Elected May 2019	May-22
Mau White	Parent Rep	Co-Opted September 2020	May-22
Rowena Monson	Parent Rep	Co-Opted May 2019	May-22
Phil Marsh	Parent Rep	Elected May 2019	May-22
Simon Pickard	Staff Rep	Elected May 2019	May-22

Accountant / Service Provider: In house

OTAGO GIRLS' HIGH SCHOOL

Annual Report - For the year ended 31 December 2020

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Otago Girls' High 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.

Lynette Gail Hurring
Full Name of Board Chairperson

Bridget Patricia Davidson
Full Name of Principal

[Signature]
Signature of Board Chairperson

[Signature]
Signature of Principal

17.5.21
Date:

17.5.21
Date:

Otago Girls' High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	7,904,295	7,143,348	7,229,814
Locally Raised Funds	3	807,959	438,515	1,074,037
Interest income		65,853	69,500	91,562
International Students	4	456,993	605,000	667,084
		<u>9,235,100</u>	<u>8,256,363</u>	<u>9,062,497</u>
Expenses				
Locally Raised Funds	3	608,080	284,900	858,244
International Students	4	185,229	213,000	248,592
Learning Resources	5	6,045,514	5,579,869	5,836,141
Administration	6	518,480	505,308	534,814
Finance		2,815	-	4,474
Property	7	1,644,775	1,588,179	1,590,084
Depreciation	8	160,506	135,000	145,975
Impairment of Property, Plant and Equipment	13	6,754	-	5,039
		<u>9,172,153</u>	<u>8,306,256</u>	<u>9,223,363</u>
Net Surplus / (Deficit) for the year		62,947	(49,893)	(160,866)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>62,947</u>	<u>(49,893)</u>	<u>(160,866)</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.

Otago Girls' High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January	3,271,816	3,271,816	3,400,192
Total comprehensive revenue and expense for the year	62,947	(49,893)	(160,866)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	25,634
Movement In Reserves	2,010	-	6,856
Equity at 31 December	3,336,773	3,221,923	3,271,816
Retained Earnings	2,849,136	2,736,296	2,786,189
Reserves	487,637	485,627	485,627
Equity at 31 December	3,336,773	3,221,923	3,271,816

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.

Reserved equity comprises funds that have been received by the School for a specific purpose. The School guarantees to hold sufficient monies to enable the funds to be used for their intended purpose at any time. Those funds arose from bequests from ex-girls and ex-principals. These funds are held for use on outdoor activities, library, prize giving and school disadvantaged as required by terms of the bequests. The school is not required to repay these funds.

	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Reserves			
Opening Balances	485,627	485,627	478,771
Transferred to Current Liabilities	-	-	-
Movement for the year	2,010	-	6,856
Closing Balance	487,637	485,627	485,627

Otago Girls' High School

Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	9	2,072,905	2,072,505	379,546
Accounts Receivable	10	534,961	535,000	456,945
Prepayments		31,074	15,000	81,710
Inventories	11	28,500	27,500	46,152
Investments	12	658,395	607,477	2,457,097
		<u>3,325,835</u>	<u>3,257,482</u>	<u>3,421,450</u>
Current Liabilities				
GST Payable		25,858	-	9,519
Accounts Payable	14	510,539	515,000	453,829
Revenue Received in Advance	15	713,677	720,000	949,901
Provision for Cyclical Maintenance	16	28,400	9,334	45,000
Finance Lease Liability - Current Portion	17	5,655	14,000	28,663
Funds held in Trust	18	61,421	30,000	20,500
Funds held for Capital Works Projects	19	39,048	45,000	44,301
Funds held on behalf of Cluster	20	19,361	19,000	20,182
		<u>1,403,959</u>	<u>1,352,334</u>	<u>1,571,895</u>
Working Capital Surplus/(Deficit)		1,921,876	1,905,148	1,849,555
Non-current Assets				
Property, Plant and Equipment	13	1,624,122	1,572,000	1,630,859
		<u>1,624,122</u>	<u>1,572,000</u>	<u>1,630,859</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	200,814	241,225	196,321
Finance Lease Liability	17	8,411	14,000	12,278
		<u>209,225</u>	<u>255,225</u>	<u>208,599</u>
Net Assets		<u>3,336,773</u>	<u>3,221,923</u>	<u>3,271,815</u>
Equity	26	<u>3,336,773</u>	<u>3,221,923</u>	<u>3,271,815</u>

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



Otago Girls' High School

Statement of Cash Flows

For the year ended 31 December 2020

	Note	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash flows from Operating Activities				
Movement in Reserves			-	6,856
Government Grants		1,962,759	1,543,169	1,551,987
Locally Raised Funds		884,129	1,160,450	1,105,249
Hostel		256,260	-	
International Students		(125,267)	605,000	637,809
Goods and Services Tax (net)		17,352	-	(10,614)
Funds Administered on Behalf of Third Parties		40,099	-	(80,401)
Payments to Employees		(1,579,507)	(1,427,869)	(1,416,202)
Payments to Suppliers		(1,376,421)	(1,089,208)	(1,966,413)
Cyclical Maintenance Payments in the year		(52,606)	(54,000)	(42,498)
Interest Paid		(2,815)	-	
Interest Received		63,326	69,500	94,759
Net cash from/(to) Operating Activities		87,309	807,042	(119,468)
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	(16,000)	(307,769)
Purchase of Property Plant & Equipment (and Intangibles)		(161,052)	(119,000)	
Purchase of Investments		1,798,702	1,021,317	252,011
Proceeds from Sale of Investments		-	-	280,172
Net cash from/(to) Investing Activities		1,637,650	886,317	224,414
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	25,634
Finance Lease Payments		(26,347)	-	(28,482)
Funds Held for Capital Works Projects		(5,253)	-	31,497
Net cash from/(to) Financing Activities		(31,600)	-	28,649
Net increase/(decrease) in cash and cash equivalents		1,693,359	1,693,359	133,595
Cash and cash equivalents at the beginning of the year	9	379,546	379,546	245,951
Cash and cash equivalents at the end of the year	9	2,072,905	2,072,905	379,546

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

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



Otago Girls' High School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Otago Girls' High 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 16.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

The School reviews the 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.

Grants for the use of land and buildings are also not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the 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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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

j) Investments

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

k) 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.

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

Finance Leases

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

Depreciation

Property, plant and equipment 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	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

k) Intangible Assets

Software costs

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

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

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

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

m) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

n) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

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.

o) Revenue Received in Advance

Revenue received in advance relates to fees received from [international, hostel students and grants received] (delete as appropriate) 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) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts 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.

r) 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).

s) Financial Instruments

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

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

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

t) 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.

u) Budget Figures

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

v) Services received in-kind

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

2. Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Operational Grants	1,611,216	1,455,500	1,465,106
Teachers' Salaries Grants	4,825,937	4,500,000	4,577,650
Use of Land and Buildings Grants	1,126,553	1,100,179	1,100,179
Other MoE Grants	304,520	51,600	53,546
Other Government Grants	36,069	36,069	33,333
	<u>7,904,295</u>	<u>7,143,348</u>	<u>7,229,814</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$86,065 for the year ended 31 December 2020. The school has not opted in to the donations scheme for this year.

3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Revenue			
Donations	155,223	58,500	132,550
Activities	380,992	94,000	636,699
Trading	163,441	209,700	206,695
Other Revenue	108,303	76,315	98,093
	<u>807,959</u>	<u>438,515</u>	<u>1,074,037</u>
Expenses			
Activities	382,823	62,900	613,898
Trading	181,777	201,000	207,348
Transport (Local)	13,013	-	-
Other Locally Raised Funds Expenditure	30,467	21,000	36,998
	<u>608,080</u>	<u>284,900</u>	<u>858,244</u>
	<u>199,879</u>	<u>153,615</u>	<u>215,793</u>

Surplus/ (Deficit) for the year Locally raised funds

4. International Student Revenue and Expenses

	2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
International Student Roll	36	40	45
	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
International Student Fees	456,993	605,000	667,084
Expenses			
Advertising	1,825	-	-
Commissions	60,765	65,000	73,760
Recruitment	13,541	25,000	36,885
International Student Levy	16,663	13,000	8,580
Employee Benefit - Salaries	85,244	85,000	79,652
Other Expenses	7,191	25,000	49,715
	185,229	213,000	248,592
<i>Surplus/ (Deficit) for the year International Students</i>	271,764	392,000	418,492

5. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	243,107	208,300	338,283
Equipment Repairs	19,256	16,000	18,788
Information and Communication Technology	30,907	28,200	31,374
Library Resources	5,229	4,500	5,171
Employee Benefits - Salaries	5,716,853	5,272,869	5,372,094
Staff Development	30,162	50,000	70,431
	6,045,514	5,579,869	5,836,141

6. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	6,420	6,231	5,860
Board of Trustees Fees	7,640	5,300	6,770
Board of Trustees Expenses	35,614	34,577	50,391
Communication	16,780	20,000	23,059
Consumables	3,109	2,000	2,392
Operating Lease	14,681	55,000	27,851
Other	73,527	38,700	80,495
Employee Benefits - Salaries	331,373	320,000	314,734
Insurance	27,548	23,500	23,262
Service Providers, Contractors and Consultancy	1,788	-	-
	518,480	505,308	534,814

7. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	27,008	20,000	26,867
Consultancy and Contract Services	3,900	-	-
Cyclical Maintenance Provision	41,499	54,000	33,256
Grounds	2,832	7,000	12,463
Heat, Light and Water	96,241	90,000	93,897
Rates	43,328	41,000	41,612
Repairs and Maintenance	28,283	23,000	40,560
Use of Land and Buildings	1,126,553	1,100,179	1,100,179
Security	3,345	3,000	3,583
Employee Benefits - Salaries	271,786	250,000	237,667
	<u>1,644,775</u>	<u>1,588,179</u>	<u>1,590,084</u>

8. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	22,352	20,000	18,209
Building Improvements - Crown	8,512	8,000	8,512
Furniture and Equipment	47,988	40,000	41,372
Information and Communication Technology	23,400	21,000	21,063
Motor Vehicles	24,023	16,000	22,737
Leased Assets	27,093	25,000	27,199
Library Resources	7,138	5,000	6,883
	<u>160,506</u>	<u>135,000</u>	<u>145,975</u>

9. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	250	250	250
Bank Current Account	43,071	45,000	127,551
Bank Call Account	222,903	200,000	251,745
Short-term Bank Deposits	1,812,360	1,827,655	-
Bank Overdraft	(5,679)	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>2,072,905</u>	<u>2,072,905</u>	<u>379,546</u>

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

Of the \$2,072,905 Cash and Cash Equivalents, \$39,048 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$2,072,905 Cash and Cash Equivalents, \$13,961 is held by the School on behalf of the Asian Language cluster, and \$5,396 is held by the School on behalf of the RFFP Cluster.

10. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	132,258	135,000	118,652
Interest Receivable	28,032	25,000	25,505
Teacher Salaries Grant Receivable	374,671	375,000	312,788
	<u>534,961</u>	<u>535,000</u>	<u>456,945</u>
Receivables from Exchange Transactions	160,290	160,000	144,157
Receivables from Non-Exchange Transactions	374,671	375,000	312,788
	<u>534,961</u>	<u>535,000</u>	<u>456,945</u>

11. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	689	500	342
School Uniforms	25,478	25,000	43,664
Canteen	2,023	2,000	2,146
Cottonsoft	310		
	<u>28,500</u>	<u>27,500</u>	<u>46,152</u>

12. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	658,395	607,477	2,457,097
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	<u>658,395</u>	<u>607,477</u>	<u>2,457,097</u>

13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	811,595	12,573	-	-	(22,352)	801,816
Building Improvements	300,195	-	-	-	(8,512)	291,683
Furniture and Equipment	337,617	76,915	-	(2,269)	(47,988)	364,275
Information and Communication Technology	32,697	43,987	(2,367)	-	(23,400)	50,917
Motor Vehicles	60,024	13,722	-	-	(24,023)	49,723
Leased Assets	40,550	2,544	(201)	(55)	(27,093)	15,745
Library Resources	48,181	15,579	(6,659)	-	(7,138)	49,963
Balance at 31 December 2020	1,630,859	165,320	(9,227)	(2,324)	(160,506)	1,624,122

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	1,117,578	(315,762)	801,816
Building Improvements	425,589	(133,906)	291,683
Furniture and Equipment	1,872,635	(1,508,360)	364,275
Information and Communication Technology	607,257	(556,340)	50,917
Motor Vehicles	158,483	(108,760)	49,723
Leased Assets	92,070	(76,325)	15,745
Library Resources	109,559	(59,596)	49,963
Balance at 31 December 2020	4,383,171	(2,759,049)	1,624,122

The net carrying value of equipment held under a finance lease is \$15,745 (2019: \$40,550)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	635,218	194,585	-	-	(18,209)	811,594
Building Improvements	308,707	-	-	-	(8,512)	300,195
Furniture and Equipment	311,329	68,547	(886)	-	(41,372)	337,618
Information and Communication Technology	38,414	16,025	(679)	-	(21,063)	32,697
Motor Vehicles	73,573	9,187	-	-	(22,737)	60,023
Leased Assets	56,084	12,244	(579)	-	(27,199)	40,550
Library Resources	41,535	18,123	(4,593)	-	(6,883)	48,182
Balance at 31 December 2019	1,464,860	318,711	(6,737)	-	(145,975)	1,630,859

The net carrying value of equipment held under a finance lease is \$40,550

2019	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings	1,105,005	(293,410)	811,595
Building Improvements	425,589	(125,394)	300,195
Furniture and Equipment	1,800,711	(1,463,094)	337,617
Information and Communication Technology	606,266	(573,569)	32,697
Motor Vehicles	144,761	(84,737)	60,024
Leased Assets	92,599	(52,049)	40,550
Library Resources	106,756	(58,575)	48,181
Balance at 31 December 2019	4,281,687	(2,650,828)	1,630,859

14. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	76,444	90,000	90,984
Funds owing to the MOE	10,954	-	-
Accruals	4,867	5,000	6,950
Employee Entitlements - Salaries	374,671	375,000	312,788
Employee Entitlements - Leave Accrual	43,603	45,000	43,791
	510,539	515,000	453,829
Payables for Exchange Transactions	510,539	515,000	453,829
Payables for Non-exchange Transactions - Other			
	510,539	515,000	453,829

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
International Student Fees	319,574	320,000	901,834
Hostel Fees	280,700	285,000	24,440
Other	113,403	115,000	23,627
	713,677	720,000	949,901

16. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	241,321	241,321	250,563
Increase/ (decrease) to the Provision During the Year	38,139	-	35,758
Use of the Provision During the Year	(50,246)	-	-
			(45,000)
Provision at the End of the Year	<u>229,214</u>	<u>241,321</u>	<u>241,321</u>
Cyclical Maintenance - Current	28,400	9,334	45,000
Cyclical Maintenance - Term	200,814	241,229	196,321
	<u>229,214</u>	<u>250,563</u>	<u>241,321</u>

17. Finance Lease Liability

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	11,665	11,500	28,663
Later than One Year and no Later than Five Years	2,400	2,500	12,278
Later than Five Years	-	-	-
	<u>14,065</u>	<u>14,000</u>	<u>40,941</u>

18. Funds held in Trust

	2020	2020	2019
	Actual	Budget	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	61,421	30,000	20,500
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>61,421</u>	<u>30,000</u>	<u>20,500</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

19. 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 Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
LED Lighting Project	<i>completed</i>	(3,826)	-	-	-	(3,826)
Dalrymple Block Roof	<i>completed</i>	9,258	-	-	-	9,258
Boiler Project	<i>completed</i>	800	-	-	-	800
Hall Weatherproofing	<i>completed</i>	2,672	-	3,202	-	(530)
Dalrymple Floor Covering	<i>completed</i>	2,627	-	-	-	2,627
Staff/Careers/Admin Upgrade	<i>in progress</i>	32,770	-	7,677	-	25,093
MOE R & M Upgrades	<i>in progress</i>	-	96,066	90,440	-	5,626
Totals		44,301	96,066	101,319	-	39,048

Represented by:

Funds Held on Behalf of the Ministry of Education	43,404
Funds Due from the Ministry of Education	(4,356)
Totals	39,048

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
LED Lighting Project	<i>in progress</i>	(53,464)	54,303	4,665	-	(3,826)
Dalrymple Block Roof	<i>in progress</i>	9,258	-	-	-	9,258
Boiler Project	<i>in progress</i>	(9,898)	35,710	25,012	-	800
Hall Weatherproofing	<i>in progress</i>	2,672	-	-	-	2,672
Dalrymple Floor Covering	<i>in progress</i>	2,627	-	-	-	2,627
Staff/Careers/Admin Upgrade	<i>in progress</i>	61,610	333	29,173	-	32,770
Totals		12,805	90,346	58,850	-	44,301

20. Funds Held on Behalf of Cluster

Otago Girls' High School is the lead school and holds funds on behalf of the cluster, a group of schools funded by the Ministry.

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Funds Held at Beginning of the Year	20,182	18,000	2,536
Funds Received from Cluster Members	-	-	342
Funds Received from MoE	82,790	85,000	85,605
Funds Spent on Behalf of the Cluster	(84,309)	(84,000)	(68,301)
Funds Held at Year End	19,361	19,000	20,182

These assets and liabilities form part of the school's assets and liabilities and are presented on the school's statement of financial position.

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Current Assets			
Cash at bank	19,361	19,000	20,182
Equity	<u>19,361</u>	<u>19,000</u>	<u>20,182</u>

21. 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.

22. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	7,640	6,770
Full-time equivalent members	0.21	0.40
<i>Leadership Team</i>		
Remuneration	644,194	571,903
Full-time equivalent members	5	4
Total key management personnel remuneration	<u>651,834</u>	<u>578,673</u>
Total full-time equivalent personnel	<u>4.71</u>	<u>4.80</u>

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 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	180-190	150-170
Benefits and Other Emoluments	0-5	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
110-120	-	-
100-110	4.00	1.00
	4.00	1.00

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

23. Compensation and Other Benefits Upon Leaving

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

	2020 Actual	2019 Actual
Total	-	-
Number of People	-	-

24. 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.

25. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has not entered into contract agreements for capital works.

(Capital commitments at 31 December 2019: nil)

(b) Operating Commitments

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

(a) operating lease of two EFTPOS Machines:

	2020 Actual \$	2019 Actual \$
No later than One Year	2,146	25,692
Later than One Year and No Later than Five Years	3,414	-
Later than Five Years	-	-
	<u>5,560</u>	<u>25,692</u>

26. 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.

27. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	2,072,905	2,072,905	379,546
Receivables	534,961	535,000	456,945
Investments - Term Deposits	658,395	607,477	2,457,097
Total Financial assets measured at amortised cost	<u>3,266,261</u>	<u>3,215,382</u>	<u>3,293,588</u>

Financial liabilities measured at amortised cost

Payables	488,631	515,000	453,829
Finance Leases	14,065	28,000	40,941
Total Financial Liabilities Measured at Amortised Cost	<u>502,696</u>	<u>543,000</u>	<u>494,770</u>

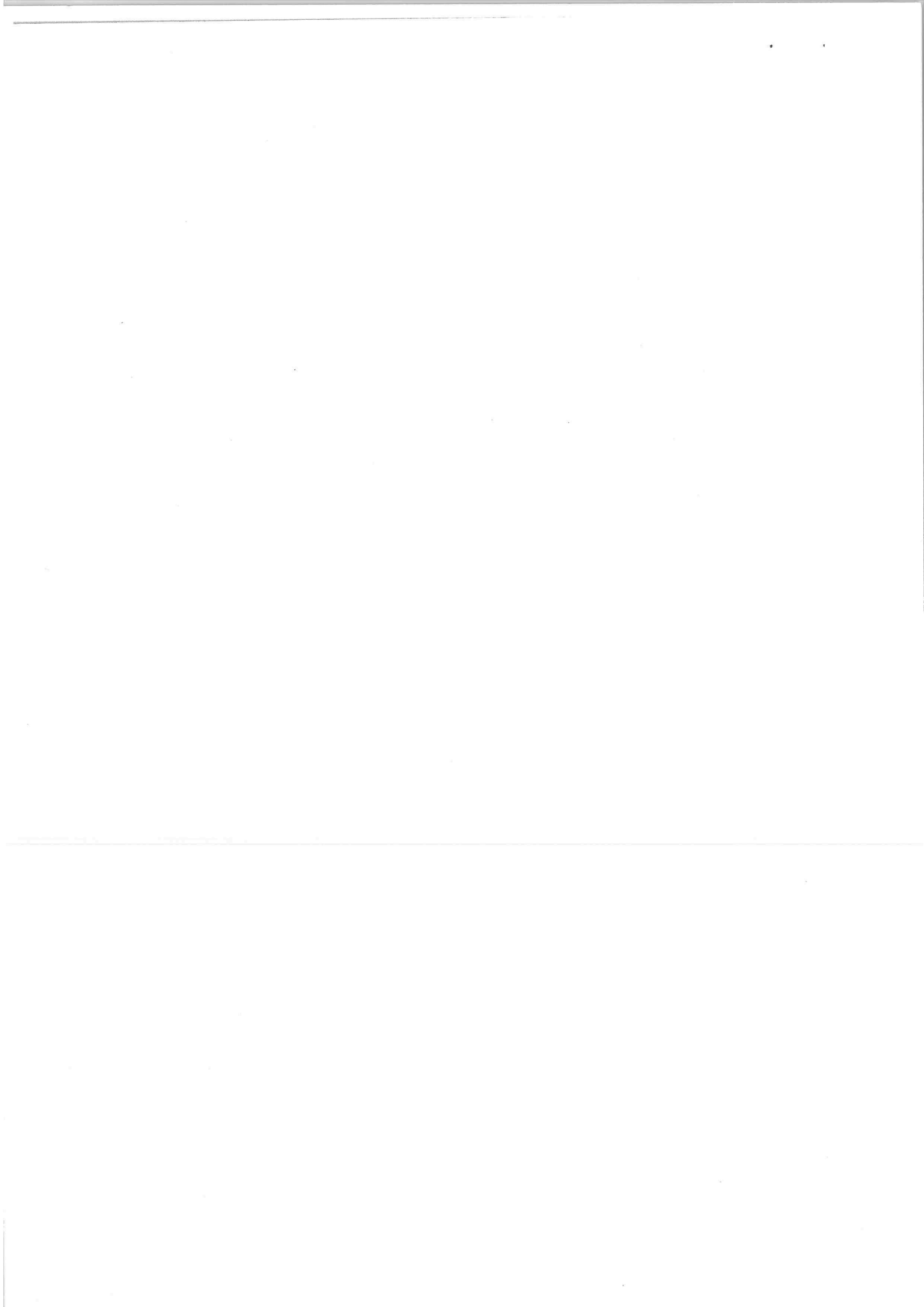
28. Events After Balance Date

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

29. Comparatives

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







INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF OTAGO GIRLS' HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Otago Girls' High School (the School). The Auditor-General has appointed me, Mike Hawken, using the staff and resources of Deloitte 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 21, 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 Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 17 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 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 for the financial statements

The Board 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 is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board 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's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of 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.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board 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.

Deloitte.

We communicate with the Board 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 is responsible for the other information. The other information comprises the information included on pages accompanying 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.



Mike Hawken
Deloitte Limited
On behalf of the Auditor-General
Dunedin, New Zealand