

BAILEY ROAD SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 1216

Principal: Raymond Kelly

School Address: 19 Bailey Road, Mt Wellington, Auckland 1060

School Postal Address: 19 Bailey Road, Mt Wellington, Auckland 1060

School Phone: 09 579 4619

School Email: m.ginders@baileyorad.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Stephen (Steve) Doran	Chairman	Elected	Jun-22
Max Guptill	Deputy Chairman	Elected	Jun-22
Kerry Bell	Parent Trustee	Elected	Jun-22
Leon Mallard	Parent Trustee	Elected	Jun-22
Natalia Solomon	Parent Trustee	Elected	Jun-22
Elizabeth (Liz) Lombard	Co-opted Trustee	Co-opted	Jun-22
Raymond (Ray) Kelly	Principal	Principal	Jun-22
Michelle Love	Staff Trustee	Elected	Jun-22

Accountant / Service Provider: Ask Accounting Ltd

BAILEY ROAD SCHOOL

Annual Report - For the year ended 31 December 2020

Index

Page	Statement
	Financial Statements
<u>1</u>	Statement of Responsibility
<u>2</u>	Statement of Comprehensive Revenue and Expense
<u>3</u>	Statement of Changes in Net Assets/Equity
<u>4</u>	Statement of Financial Position
<u>5</u>	Statement of Cash Flows
<u>6 - 18</u>	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Bailey Road 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.

Stephen Doran

Full Name of Board Chairperson



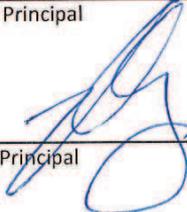
Signature of Board Chairperson

26.05.2021

Date:

Raymond Kelly

Full Name of Principal



Signature of Principal

26.05.2021

Date:

Bailey Road 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	4,315,535	4,027,061	3,882,373
Locally Raised Funds	3	94,909	59,500	125,151
Interest income		11,428	4,000	14,673
		<u>4,421,872</u>	<u>4,090,561</u>	<u>4,022,197</u>
Expenses				
Locally Raised Funds	3	76,855	26,500	50,747
Learning Resources	4	2,769,320	2,511,204	2,399,092
Administration	5	178,326	188,458	185,427
Finance		1,866	1,341	1,907
Property	6	1,276,760	1,235,579	1,160,416
Depreciation	7	125,753	121,610	125,152
Loss on Disposal of Property, Plant and Equipment		8,742	-	15,400
		<u>4,437,622</u>	<u>4,084,692</u>	<u>3,938,141</u>
Net Surplus / (Deficit) for the year		(15,750)	5,869	84,056
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(15,750)</u>	<u>5,869</u>	<u>84,056</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.

Bailey Road 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		<u>1,170,277</u>	<u>1,170,277</u>	<u>1,086,221</u>
Total comprehensive revenue and expense for the year		(15,750)	5,869	84,056
Equity at 31 December	22	<u>1,154,527</u>	<u>1,176,146</u>	<u>1,170,277</u>
Retained Earnings		1,154,527	1,176,146	1,428,450
Reserves		-	-	(258,173)
Equity at 31 December		<u>1,154,527</u>	<u>1,176,146</u>	<u>1,170,277</u>

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.

Bailey Road School

Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	8	1,154,278	1,036,447	767,034
Accounts Receivable	9	232,111	165,000	164,642
GST Receivable		12,384	20,000	31,789
Prepayments		16,322	15,000	17,761
Inventories	10	5,770	1,500	1,353
		<u>1,420,865</u>	<u>1,237,947</u>	<u>982,579</u>
Current Liabilities				
Accounts Payable	12	226,270	230,300	242,146
Revenue Received in Advance	13	9,927	-	-
Provision for Cyclical Maintenance	14	17,308	20,140	13,292
Finance Lease Liability - Current Portion	15	12,300	6,027	11,440
Funds held for Capital Works Projects	16	456,857	300,000	96,849
		<u>722,662</u>	<u>556,467</u>	<u>363,727</u>
Working Capital Surplus/(Deficit)		698,203	681,480	618,852
Non-current Assets				
Property, Plant and Equipment	11	566,559	576,521	623,131
		<u>566,559</u>	<u>576,521</u>	<u>623,131</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	95,400	78,863	62,687
Finance Lease Liability	15	14,835	2,992	9,019
		<u>110,235</u>	<u>81,855</u>	<u>71,706</u>
Net Assets		<u>1,154,527</u>	<u>1,176,146</u>	<u>1,170,277</u>
Equity	22	<u>1,154,527</u>	<u>1,176,146</u>	<u>1,170,277</u>

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

Bailey Road School

Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		1,067,081	1,086,063	931,695
Locally Raised Funds		90,746	79,500	153,465
Goods and Services Tax (net)		19,405	(6,000)	(18,725)
Payments to Employees		(552,892)	(449,408)	(381,895)
Payments to Suppliers		(538,865)	(468,809)	(407,941)
Cyclical Maintenance Payments in the year		-	20,235	
Interest Paid		(1,866)	(1,341)	
Interest Received		9,877	4,000	14,673
Net cash from/(to) Operating Activities		93,486	264,240	291,272
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(57,939)	(67,269)	(95,964)
Net cash from/(to) Investing Activities		(57,939)	(67,269)	(95,964)
Cash flows from Financing Activities				
Finance Lease Payments		(8,311)	2,336	(6,649)
Funds Held for Capital Works Projects		360,008	300,000	96,849
Net cash from/(to) Financing Activities		351,697	302,336	90,200
Net increase/(decrease) in cash and cash equivalents		387,244	499,307	285,508
Cash and cash equivalents at the beginning of the year	8	767,034	537,140	481,526
Cash and cash equivalents at the end of the year	8	1,154,278	1,036,447	767,034

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.

Bailey Road School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

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) 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.

f) 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.

g) 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.

h) 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.

i) 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	20 years
Furniture and equipment	10 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

j) 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.

k) 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.

l) 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.

m) Revenue Received in Advance

Revenue received in advance relates to fees received from MOE grants 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.

n) 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).

o) 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.

p) 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.

q) Budget Figures

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

r) 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	860,114	844,711	734,395
Teachers' Salaries Grants	2,201,337	2,038,054	2,028,827
Use of Land and Buildings Grants	1,005,357	990,000	927,784
Other MoE Grants	182,279	124,296	129,088
Other Government Grants	66,448	30,000	62,279
	<u>4,315,535</u>	<u>4,027,061</u>	<u>3,882,373</u>

The school has opted in to the donations scheme for this year. Total amount received was \$69,450.

Other MOE Grants total includes additional COVID-19 funding totalling \$12,477 for the year ended 31 December 2020.

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	18,675	18,000	19,227
Activities	54,335	34,000	66,727
Trading	21,416	1,500	23,693
Fundraising	483	6,000	15,504
	<u>94,909</u>	<u>59,500</u>	<u>125,151</u>
Expenses			
Activities	62,456	24,500	22,811
Trading	13,875	-	23,220
Fundraising (Costs of Raising Funds)	524	2,000	4,716
	<u>76,855</u>	<u>26,500</u>	<u>50,747</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>18,054</u>	<u>33,000</u>	<u>74,404</u>

4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	74,026	72,650	67,108
Information and Communication Technology	46,725	42,000	30,093
Library Resources	1,292	2,500	2,731
Employee Benefits - Salaries	2,626,604	2,351,554	2,280,964
Staff Development	20,673	42,500	18,196
	<u>2,769,320</u>	<u>2,511,204</u>	<u>2,399,092</u>

5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,870	6,000	6,185
Board of Trustees Fees	4,209	5,000	4,235
Board of Trustees Expenses	11,820	17,000	26,649
Communication	2,944	4,000	13,267
Consumables	13,737	19,500	9,109
Operating Lease	4,218	4,600	4,218
Other	9,498	10,550	8,308
Employee Benefits - Salaries	106,273	98,608	88,837
Insurance	13,331	14,000	16,711
Service Providers, Contractors and Consultancy	8,426	9,200	7,908
	<u>178,326</u>	<u>188,458</u>	<u>185,427</u>

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	11,882	14,000	13,475
Consultancy and Contract Services	63,693	55,000	61,248
Cyclical Maintenance Provision	36,729	15,000	27,283
Grounds	1,639	8,000	1,820
Heat, Light and Water	15,504	22,500	17,937
Rates	25,712	23,000	23,817
Repairs and Maintenance	45,750	47,000	40,061
Use of Land and Buildings	1,005,357	990,000	927,784
Security	16,079	19,479	8,239
Employee Benefits - Salaries	54,415	41,600	38,752
	<u>1,276,760</u>	<u>1,235,579</u>	<u>1,160,416</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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	17,712	17,712	17,711
Furniture and Equipment	60,670	56,894	57,977
Information and Communication Technology	36,424	30,939	37,111
Leased Assets	8,383	15,690	9,835
Library Resources	2,564	375	2,518
	<u>125,753</u>	<u>121,610</u>	<u>125,152</u>

8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash on Hand	200	200	200
Bank Current Account	249,021	130,747	761,813
Bank Call Account	5,057	5,500	5,021
Short-term Bank Deposits	900,000	900,000	-
Cash and cash equivalents for Statement of Cash Flows	<u>1,154,278</u>	<u>1,036,447</u>	<u>767,034</u>

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

Of the \$1,154,278 Cash and Cash Equivalents, \$456,857 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 \$1,154,278 Cash and Cash Equivalents, \$9,927 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	6,913	5,000	2,750
Interest Receivable	1,551	-	-
Banking Staffing Underuse	66,480	10,000	14,793
Teacher Salaries Grant Receivable	157,167	150,000	147,099
	<u>232,111</u>	<u>165,000</u>	<u>164,642</u>
Receivables from Exchange Transactions	8,464	5,000	2,750
Receivables from Non-Exchange Transactions	223,647	160,000	161,892
	<u>232,111</u>	<u>165,000</u>	<u>164,642</u>

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	5,770	1,500	1,353
	<u>5,770</u>	<u>1,500</u>	<u>1,353</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	143,172				(17,712)	125,460
Furniture and Equipment	342,893	16,635			(60,670)	298,858
Information and Communication Technology	91,533	38,416			(36,424)	93,525
Leased Assets	27,909	19,985	(8,742)		(8,383)	30,769
Library Resources	17,624	2,887			(2,564)	17,947
Balance at 31 December 2020	623,131	77,923	(8,742)	-	(125,753)	566,559

The net carrying value of equipment held under a finance lease is \$30,769 (2019: \$27,909)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	360,776	(235,316)	125,460
Furniture and Equipment	784,162	(485,304)	298,858
Information and Communication Technology	498,351	(404,826)	93,525
Leased Assets	65,830	(35,061)	30,769
Library Resources	45,974	(28,027)	17,947
Balance at 31 December 2020	1,755,093	(1,188,534)	566,559

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	160,883				(17,711)	143,172
Furniture and Equipment	343,844	57,026			(57,977)	342,893
Information and Communication Technology	95,984	32,660			(37,111)	91,533
Leased Assets	29,145	16,201	(7,602)		(9,835)	27,909
Library Resources	26,273	1,667	(7,798)		(2,518)	17,624
Balance at 31 December 2019	656,129	107,554	(15,400)	-	(125,152)	623,131

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	360,778	(217,606)	143,172
Furniture and Equipment	767,527	(424,634)	342,893
Information and Communication Technology	459,934	(368,401)	91,533
Leased Assets	68,650	(40,741)	27,909
Library Resources	43,087	(25,463)	17,624
Balance at 31 December 2019	1,699,976	(1,076,845)	623,131

12. Accounts Payable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	15,179	60,000	74,371
Accruals	6,370	6,300	6,185
Employee Entitlements - Salaries	190,486	150,000	148,416
Employee Entitlements - Leave Accrual	14,235	14,000	13,174
	<u>226,270</u>	<u>230,300</u>	<u>242,146</u>
Payables for Exchange Transactions	226,270	230,300	242,146
	<u>226,270</u>	<u>230,300</u>	<u>242,146</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance - Ministry of Education	9,927	-	-
	<u>9,927</u>	<u>-</u>	<u>-</u>

14. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	75,979	75,979	48,696
Increase/ (decrease) to the Provision During the Year	36,729	15,000	27,283
Use of the Provision During the Year	-	8,024	-
Provision at the End of the Year	<u>112,708</u>	<u>99,003</u>	<u>75,979</u>
Cyclical Maintenance - Current	17,308	20,140	13,292
Cyclical Maintenance - Term	95,400	78,863	62,687
	<u>112,708</u>	<u>99,003</u>	<u>75,979</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:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	14,219	6,027	12,781
Later than One Year and no Later than Five Years	15,928	2,992	9,690
	<u>30,147</u>	<u>9,019</u>	<u>22,471</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.

16. Funds Held for Capital Works Projects

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

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
MOE LSC Office Conversion	<i>In progress</i>	-	9,450	-	-	9,450
MOE Shade System	<i>In progress</i>	-	288,773	31,538	-	257,235
MOE Block 8/10 Refurbishment/N	<i>In progress</i>	95,110	-	10,910	-	84,200
MOE Site - Upgrade Alarm System	<i>Completed</i>	1,739	-	-	-	1,739
MOE Rm 7 Refurb/Toilet Block	<i>In progress</i>	-	133,200	64,967	-	68,233
Classroom Refurbishment and ILE Upgrade	<i>In progress</i>	-	36,000	-	-	36,000
Totals		96,849	467,423	107,415	-	456,857

Represented by:

Funds Held on Behalf of the Ministry of Education	456,857
Funds Due from the Ministry of Education	-
	<u>456,857</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
MOE Block 8/10 Refurbishment/N	<i>In progress</i>	-	461,700	366,590	-	95,110
MOE Site - Upgrade Alarm System	<i>In progress</i>	-	13,500	11,761	-	1,739
Field Drainage	<i>Completed</i>	-	9,700	9,700	-	-
Totals		-	484,900	388,051	-	96,849

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.

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.

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	4,209	4,235
Full-time equivalent members	0.27	0.35
<i>Leadership Team</i>		
Remuneration	645,881	581,527
Full-time equivalent members	6	6
Total key management personnel remuneration	650,090	585,762
Total full-time equivalent personnel	6.27	6.35

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal 1

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	60-70
Benefits and Other Emoluments	4-5	1-2

Principal 2

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	0	30-40
Benefits and Other Emoluments	-	0-1

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	2.00	1.00
110-120	1.00	1.00
	3.00	2.00

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

19. Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

20. Contingencies

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

Holidays Act Compliance – schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

21. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into contract agreements for capital works as follows:

(a) A \$513,000 contract for Block 8/10 to be completed in 2021, which will be fully funded by the Ministry of Education. \$461,700 has been received of which \$377,500 has been spent on the project to date; and

(b) A \$10,500 contract for LSC Office conversion to be completed in 2021, which will be fully funded by the Ministry of Education. \$9,450 has been received of which \$0 has been spent on the project to date; and

(c) A \$320,859 contract for Shade System to be completed in 2021, which will be fully funded by the Ministry of Education. \$288,773 has been received of which \$31,538 has been spent on the project to date; and

(d) A \$148,000 contract for Rm 7 Refurb/Toilet Block to be completed in 2021, which will be fully funded by the Ministry of Education. \$133,200 has been received of which \$64,967 has been spent on the project to date.

(e) A \$40,000 contract for Classroom Refurbishment/ILE Upgrade to be completed in 2021, which will be fully funded by the Ministry of Education. \$36,000 has been received of which \$0 has been spent on the project to date.

(Capital commitments at 31 December 2019: \$96,849)

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	1,154,278	1,036,447	767,034
Receivables	232,111	165,000	164,642
Total Financial assets measured at amortised cost	<u>1,386,389</u>	<u>1,201,447</u>	<u>931,676</u>

Financial liabilities measured at amortised cost

Payables	226,270	230,300	242,146
Finance Leases	27,135	9,019	20,459
Total Financial Liabilities Measured at Amortised Cost	<u>253,405</u>	<u>239,319</u>	<u>262,605</u>

24. Events After Balance Date

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

Independent Auditor's Report

To the Readers of Bailey Road School's Financial Statements

For the Year Ended 31 December 2020

The Auditor-General is the auditor of Bailey Road School (the School). The Auditor-General has appointed me, Darren Wright, using the staff and resources of William Buck Audit (NZ) 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 18, 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 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime.

Our audit was completed on 31 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.

ACCOUNTANTS & ADVISORS

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William Buck Audit (NZ) Limited

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.

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 of Trustees is responsible for the other information. The other information comprises the information included in the annual report being the Kiwisport Report, the Members of the Board of Trustees and the Analyses of Variance, 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.

A handwritten signature in blue ink, appearing to read 'D. Wright'.

Darren Wright
William Buck Audit (NZ) Limited
On behalf of the Auditor-General
Auckland, New Zealand

Analysis of Variance Reporting



School Name:	Bailey Road School	School Number:	1216
Strategic Aim:	To increase teacher capacity and understanding of the synergy between academic and social progress and the relationship a teacher develops with students and whānau; through the vehicle of Relationship Based Learning.		
Annual Aim:	<p>The Bailey Road School Annual Aims for 2020:</p> <p>1] To improve mathematical outcomes for our ākonga through building teacher capacity to develop more effective pedagogy - through the medium of the Developing Mathematical Inquiry Communities [DMIC]</p> <p>2] To embed Relationship Based Learning [RBL] as a programme that the school can now manage and develop itself with reduced need to bring in outside support.</p>		
Target:	<p>Goal 1] Mathematics - by the end of 2020, using the target areas that were highlighted in 2019, 70% of students in Year 5 and 55% of students in Year 8 will be working at or above the expected curriculum level in mathematics.</p> <p>Goal 2] Relationship Based Learning - all students, wherever capable, are able to share their feelings about the work they are doing and explain their next steps in literacy and mathematics.</p>		
Baseline Data:	<p>End of Year 2019 Maths At or Above Curriculum Level expectations - Year 7 = 50%</p> <p>End of Year 2020 Maths At or Above Curriculum Level expectations - Year 8 = 37.7%</p> <p>End of Year 2019 Maths At or Above Curriculum Level expectations - Year 4 = 80.7%</p> <p>End of Year 2020 Maths At or Above Curriculum Level expectations - Year 5 = 51.1%</p> <p>End of Year 2019 Maths At or Above Curriculum Level expectations - ALL = 68.0%</p> <p>End of Year 2020 Maths At or Above Curriculum Level expectations - ALL = 59.7%</p> <p>End of Year 2019 Reading At or Above Curriculum Level expectations - ALL = 74.4%</p> <p>End of Year 2020 Reading At or Above Curriculum Level expectations - ALL = 62.6%</p> <p>End of Year 2019 Writing At or Above Curriculum Level expectations - ALL = 66%</p> <p>End of Year 2020 Writing At or Above Curriculum Level expectations - ALL = 58.7%</p>		



Tataritanga raraunga

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Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>The specific effects of Covid 19 on our education and social outcomes in 2020 cannot be explained in any way other than devastating.</p> <p>Term 1 - we achieved 39 days of traditional in-school teaching.</p> <p>Otherwise we were engaged in distance learning with an approximate 30% engagement rate.</p> <p>Term 2 - we achieved 39 days of traditional in-school teaching or a composite with online teaching..</p> <p>The disruption here related to lower alert levels causing differentiation to our programmes and the students' experience of school.</p> <p>Term 3 - we achieved 39 days of traditional in-school teaching.</p> <p>The disruption here related to lower alert levels causing differentiation to our programmes and the students' experience of school.</p> <p>Term 4 - we achieved 42 days of traditional in-school teaching.</p>	<p>We managed to continue our RBL programme but with disruptions regarding onsite visits and our inability to release teachers as we might have previously intended.</p> <p>DMIC continued in a very much reduced format with greatly limited onsite observations and professional development. We did manage to have a DMIC holiday programme that was very well supported.</p> <p>All other programmes were similarly affected.</p> <p>All of our data decreased by quite alarming levels.</p>	<p>In 2020 the school year of 190 days was made up of:</p> <p>151 days learning onsite with an average of 65%-70% attendance.</p> <p>29 days learning offsite - with an approximate 35% attendance on average</p> <p>10 days without learning [locking down, Easter, TODs]</p> <p>Of the 151 days learning onsite, 53 days were spent observing strict health and safety measures so learners were often learning solely online in team bubbles - with greatly reduced attendance.</p> <p>Internal evaluation of covid 19 found negative impacts upon student attendance, wellbeing, progress and achievement; staff attendance, wellbeing and engagement; school achievement of annual plans.</p> <p>Positive impacts found were some student appreciation and engagement in instructional learning; staff capability to teach and engage online; school's</p>	<p>The success of 2021 will not be presupposed upon the preparedness of Bailey Road School to deliver clear and carefully considered strategies and programmes but upon our ability to deliver these strategies and programmes without lockdown interruptions. Our development of individual student trackers, based upon the learning progressions will result in improved student outcomes due to teachers and learners being intimately aware of their next steps.</p> <p>- Teachers have been upskilled in use of individual student trackers, RBL and DMIC philosophy and teaching practices and are poised to regain the ground lost in 2020</p> <p>- Teacher and student wellbeing is at the cornerstone of our expected return to improved outcomes and we have embarked upon a programme to build capacity in student self management</p> <p>- What funding/resourcing may be necessary to support identified</p>

		pandemic planning became a very important document.	actions and needs?
Planning for next year:			
<p>The Bailey Road School Board and Principal are determined to follow sound research and evidence to lay foundation programmes and build upon these in 2021.</p> <p>Relationship Based Learning provides a sound, researched and evidence based platform - as supported by the work of Russel Bishop - to provide teachers with information on the direct effect of their teaching and learning practices. This programme will be built upon by Bailey Road School coaches trained in impact coaching to deliver our own programme of observations, meeting, documentation and student outcome progress monitoring.</p> <p>The development of Individual Student Trackers is a key tool in building teacher and administration capacity in understanding the learning needs of students and to enable a planning capacity that had previously been dependent upon a stepwise approach that did not necessarily take into account the learning orientation of the students. In 2020 the Trackers were used by each teacher on four targeted students in their class [66 students in total], allowing teachers to develop skills needed when the Trackers are unrolled for all students in 2021.</p> <p>RBL and Individual Student Trackers are the drivers of improved outcomes across all levels of the school and our attention will never move more from one curriculum area to another.</p> <p>However maths is still our focus and we will continue to pursue DMIC and our MST and ALIM programmes until we receive the rewards that will inevitably come.</p> <p>Local Curriculum will be our professional development overarching focus in 2021 and this works in conjunction with a restructuring of our curriculum teams into one team of seven curriculum leaders tasked with connecting our curriculum as we gain capacity with local curriculum.</p>			



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5th May 2021

TO WHOM IT MAY CONCERN:

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received total Kiwisport funding of \$5,785.00 (excluding GST).

Auckland Sport receives the funding as part of the Tamaki Cluster Sports initiative, to implement a school wide coaching programmes within schools.

All students at Bailey Road School participate in the Kiwisport programme.

Yours sincerely

A handwritten signature in blue ink, appearing to be "Ray Kelly". The signature is stylized and fluid.

Ray Kelly
Principal



Proudly affiliated with HMNZS "TE KAHA"