FOREST VIEW HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number:	159
Principal:	Jocelyn Hale
School Address:	Baird Road
School Postal Address:	P O Box 644, Tokoroa, 3444
School Phone:	07 886 5219
School Email:	jhale@forestviewhigh.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expires/ Expired
Glen Limmer	Chairperson	Elected		May 2019
Rachael Waldon	Chairperson	Elected		Jun 2022
Jocelyn Hale	Principal	ex Officio		
Wayne Comer	Parent Rep	Elected		Jun 2022
Rochelle Walker	Parent Rep	Elected		May 2019
Mary Jayne Matetak	Parent Rep	Co-opted		Jun 2022
Temuna Tiro	Parent Rep	Elected		Jun 2022
Melissa Beckett	Parent Rep	Elected		Jun 2022
Sarah Middebrook	Parent Rep	Co-opted		Jun 2022
Jess Earnshaw	Staff Rep	Appointed		Jun 2022
Kamal Nair	Staff Rep	Elected		Feb 2019
Matthew Martin	Student Rep	Elected		Jun 2022
Kirsty Parker	Student Rep	Elected		Aug 2019

Accountant / Service Provider: Education Services Ltd

FOREST VIEW HIGH SCHOOL

Annual Report - For the year ended 31 December 2019

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Forest View High School

Statement of Responsibility

For the year ended 31 December 2019

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the school.

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

Rachael Waldon
Full Name of Board Chairperson

Jocelyn Uneing Hale
Full Name of Principal

RWaldon
Signature of Board Chairperson

Signature of Principal

29-7-20
Date:

29/7/20
Date:

Forest View High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

	Notes	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Revenue				
Government Grants	2	4,609,093	4,401,544	4,542,558
Locally Raised Funds	3	682,684	217,005	475,142
Interest income		8,555	12,000	13,217
Gain on Sale of Property, Plant and Equipment		6,522	-	-
		5,306,854	4,630,549	5,030,917
Expenses				
Locally Raised Funds	3	353,496	128,448	315,794
Learning Resources	4	3,275,875	2,898,565	3,053,270
Administration	5	264,785	271,345	233,006
Finance		23,320	24,194	30,145
Property	6	1,450,305	1,210,997	1,178,068
Depreciation	7	141,795	80,000	122,829
		5,509,576	4,613,549	4,933,112
Net Surplus / (Deficit) for the year		(202,722)	17,000	97,805
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		(202,722)	17,000	97,805

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

Forest View High School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2019

	Notes	Actual 2019 $	Budget (Unaudited) 2019 $	Actual 2018 $
Balance at 1 January		455,486	354,418	357,681
Total comprehensive revenue and expense for the year		(202,722)	17,000	97,805
Capital Contributions from the Ministry of Education				
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
Equity at 31 December	24	252,764	371,418	455,486
Retained Earnings		252,764	371,418	455,486
Equity at 31 December		252,764	371,418	455,486

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.

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Forest View High School

Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Current Assets				
Cash and Cash Equivalents	8	74,074	170,548	509,805
Accounts Receivable	9	191,610	318,701	175,645
GST Receivable		20,101	9,124	4,665
Prepayments		2,601	6,441	7,338
Inventories	10	-	12,204	12,753
Investments	11	300,000	-	100,895
Funds owed for Capital Works Projects	18	19,129	-	-
		607,515	517,018	811,101
Current Liabilities				
Accounts Payable	13	243,058	229,696	214,609
Revenue Received in Advance	14	27,994	22,050	30,213
Provision for Cyclical Maintenance	15	-	53,643	137,383
Painting Contract Liability - Current Portion	16	171,465	-	-
Finance Lease Liability - Current Portion	17	56,215	-	106,518
		498,732	305,389	488,723
Working Capital Surplus/(Deficit)		108,783	211,629	322,378
Non-current Assets				
Property, Plant and Equipment	12	370,345	305,724	351,637
		370,345	305,724	351,637
Non-current Liabilities				
Provision for Cyclical Maintenance	15	-	145,935	175,336
Painting Contract Liability	16	135,942	-	-
Finance Lease Liability	17	90,422	-	43,193
		226,364	145,935	218,529
Net Assets		252,764	371,418	455,486
Equity		252,764	371,418	455,486

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

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Forest View High School

Statement of Cash Flows

For the year ended 31 December 2019

	Note	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Cash flows from Operating Activities				
Government Grants		1,201,385	1,233,495	1,420,284
Locally Raised Funds		688,385	18,201	543,449
Goods and Services Tax (net)		(15,436)	-	4,459
Payments to Employees		(661,393)	(567,000)	(615,849)
Payments to Suppliers		(1,427,109)	(592,365)	(928,489)
Cyclical Maintenance Payments in the year		(141,772)	(89,500)	-
Interest Paid		(23,320)	(24,194)	(30,145)
Interest Received		9,360	12,000	12,415
Net cash from Operating Activities		(369,900)	(9,363)	406,124
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(69,351)	(77,000)	(57,691)
Purchase of Investments		(300,000)	-	(100,895)
Proceeds from Sale of Investments		100,895	-	-
Net cash from Investing Activities		(268,456)	(77,000)	(158,586)
Cash flows from Financing Activities				
Finance Lease Payments		(85,653)	(121,074)	(98,030)
Painting contract payments		307,407	-	-
Funds Held for Capital Works Projects		(19,129)	-	(17,688)
Net cash from Financing Activities		202,625	(121,074)	(115,718)
Net increase/(decrease) in cash and cash equivalents		(435,731)	(207,437)	131,820
Cash and cash equivalents at the beginning of the year	8	509,805	377,985	377,985
Cash and cash equivalents at the end of the year	8	74,074	170,548	509,805

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

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

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Forest View High School
Notes to the Financial Statements
For the year ended 31 December 2019

1. Statement of Accounting Policies

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

b) Basis of Preparation
Reporting Period
The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

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

Financial Reporting Standards Applied
The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

Standard early adopted
In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 28.

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.

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

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

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

Cyclical Maintenance Provision
A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at Note 15.

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

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

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

c) Revenue Recognition

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

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

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

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

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

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

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

k) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under $1000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

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

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

The estimated useful lives of the assets are:
Leased assets are depreciated over the life of the lease.

l) 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 licences with individual values under $1,000 are not capitalised, they 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. It's 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.

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

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

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

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

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

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

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

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

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

j) Investments

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

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

m) 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.

n) 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.

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

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

• likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and

• the present value of the estimated future cash flows.

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

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

q) 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.

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r) 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 school 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.

s) 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).

t) Financial Assets and Liabilities
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 "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" 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.

u) Borrowings
Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

Borrowings include but not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

v) 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.

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

x) 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.

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2. Government Grants

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Operational Grants	1,033,947	1,166,792	1,132,304
Teachers' Salaries Grants	2,469,439	2,298,349	2,189,849
Use of Land and Buildings Grants	932,347	861,093	864,040
Resource Teachers Learning and Behaviour Grants	7,439	5,000	2,705
Secondary tertiary alignment resource grants	47,740	45,148	13,892
Other MoE Grants	92,220	25,162	319,655
Other Government Grants	25,961	-	20,113
	4,609,093	4,401,544	4,542,558

3. Locally Raised Funds

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

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Revenue			
Donations	11,359	8,000	16,888
Bequests & Grants	90,189	-	-
Activities	168,746	12,001	207,604
Trading	104,391	100,200	122,658
Fundraising	10,225	-	9,137
Other Revenue	292,510	87,504	109,983
House Rental	5,264	9,300	8,872
	682,684	217,005	475,142
Expenses			
Activities	177,805	-	200,594
Trading	125,839	97,600	111,161
Fundraising (Costs of Raising Funds)	510	21,548	-
Other Locally Raised Funds Expenditure	20,808	-	-
House Rental	28,534	9,300	4,039
	353,496	128,448	315,794
Surplus for the year Locally raised funds	329,188	88,557	159,348

4. Learning Resources

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Curricular	372,709	265,216	366,319
Library Resources	2,046	1,500	2,226
Employee Benefits - Salaries	2,882,556	2,613,349	2,677,152
Staff Development	18,564	18,500	7,573
	3,275,875	2,898,565	3,053,270

5. Administration

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Audit Fee	7,828	7,000	6,510
Board of Trustees Fees	5,619	5,300	4,105
Board of Trustees Expenses	4,764	5,850	7,253
Communication	8,315	9,500	11,693
Operating Lease	-	10,365	2,268
Other	55,314	32,250	25,877
Employee Benefits - Salaries	148,268	160,000	152,290
Insurance	9,412	13,000	6,166
Service Providers, Contractors and Consultancy	25,265	28,080	16,844
	264,785	271,345	233,006

6. Property

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Caretaking and Cleaning Consumables	88,569	79,000	85,285
Consultancy and Contract Services	108,728	-	-
Cyclical Maintenance Expense	-	29,379	27,220
Grounds	30,522	15,000	14,967
Heat, Light and Water	75,615	83,000	73,369
Rates	13,021	13,700	11,732
Repairs and Maintenance	108,387	37,800	20,765
Use of Land and Buildings	932,347	861,093	864,040
Security	1,614	2,025	-
Employee Benefits - Salaries	91,502	90,000	80,690
	1,450,305	1,210,997	1,178,068

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

7. Depreciation

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Buildings	4,502	2,932	4,502
Furniture and Equipment	18,232	12,643	19,410
Information and Communication Technology	11,238	5,413	8,311
Motor Vehicles	15,045	6,077	9,331
Textbooks	590	829	1,273
Leased Assets	87,059	48,530	74,511
Library Resources	5,129	3,576	5,491
	141,795	80,000	122,829

8. Cash and Cash Equivalents

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Cash on Hand	200	-	200
Bank Current Account	73,874	170,548	509,605
Cash equivalents for Cash Flow Statement	74,074	170,548	509,805

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

Of the $74,074 Cash and Cash Equivalents, $30,925 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Receivables	-	82,296	7,920
Receivables from the Ministry of Education	-	-	11,077
Banking Staffing Underuse	8,573	71,931	-
Interest Receivable	-	3	805
Teacher Salaries Grant Receivable	183,037	164,471	155,843
	191,610	318,701	175,645
Receivables from Exchange Transactions	-	82,299	8,725
Receivables from Non-Exchange Transactions	191,610	236,402	166,920
	191,610	318,701	175,645

10. Inventories

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Canteen	-	5,793	315
Uniform	-	6,411	5,537
Stationery	-	-	6,901
	-	12,204	12,753

11. Investments

The School's investment activities are classified as follows:

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Current Asset			
Short-term Bank Deposits	300,000	-	100,895
Total Investments	300,000	-	100,895

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12. Property, Plant and Equipment

2019	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	Total (NBV) $
Buildings	21,709	-	-	-	(4,502)	**17,207**
Furniture and Equipment	56,549	18,213	-	-	(18,232)	**56,529**
Information and Communication Tech	47,099	18,934	-	-	(11,238)	**54,796**
Motor Vehicles	40,254	29,660	-	-	(15,045)	**54,869**
Textbooks	1,535	-	-	-	(590)	**944**
Leased Assets	145,967	132,631	(41,478)	-	(87,059)	**150,061**
Library Resources	38,523	2,544	-	-	(5,129)	**35,939**
Balance at 31 December 2019	351,636	201,982	(41,478)	-	(141,795)	**370,345**

2019	Cost or Valuation $	Accumulated Depreciation $	Net Book Value $
Buildings	127,254	(110,047)	**17,207**
Furniture and Equipment	896,452	(839,923)	**56,529**
Information and Communication	256,305	(201,509)	**54,796**
Motor Vehicles	142,639	(87,770)	**54,869**
Textbooks	313,166	(312,222)	**944**
Leased Assets	345,279	(195,218)	**150,061**
Library Resources	136,839	(100,900)	**35,939**
Balance at 31 December 2019	2,217,934	(1,847,589)	**370,345**

2018	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	Total (NBV) $
Buildings	26,211	-	-	-	(4,502)	**21,709**
Furniture and Equipment	68,500	7,459	-	-	(19,410)	**56,549**
Information and Communication Tech	44,529	10,881	-	-	(8,311)	**47,099**
Motor Vehicles	15,477	34,108	-	-	(9,331)	**40,254**
Textbooks	2,808	-	-	-	(1,273)	**1,535**
Leased Assets	192,075	28,403	-	-	(74,511)	**145,967**
Library Resources	38,771	5,243	-	-	(5,491)	**38,524**
Balance at 31 December 2018	388,371	86,094	-	-	(122,829)	**351,637**

2018	Cost or Valuation $	Accumulated Depreciation $	Net Book Value $
Buildings	127,254	(105,545)	**21,709**
Furniture and Equipment	878,239	(821,690)	**56,549**
Information and Communication	237,371	(190,272)	**47,099**
Motor Vehicles	118,999	(78,745)	**40,254**
Textbooks	313,166	(311,631)	**1,535**
Leased Assets	270,644	(124,677)	**145,967**
Library Resources	134,295	(95,771)	**38,524**
Balance at 31 December 2018	2,079,968	(1,728,331)	**351,637**

13. Accounts Payable

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Operating Creditors	36,479	31,320	28,702
Accruals	5,979	4,313	5,510
Capital Accruals for PPE items	-	-	147
Employee Entitlements - Salaries	183,037	164,471	155,843
Employee Entitlements - Leave Accrual	17,563	29,592	24,407
	243,058	229,696	214,609
Payables for Exchange Transactions	243,058	229,696	214,609
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	243,058	229,696	214,609

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
AP's Credit Balances	22,542	19,938	21,448
Prepaid Fees Students	-	2,112	-
Drivers License Scheme	5,452	-	-
Other Funds In Advance	-	-	8,765
	27,994	22,050	30,213

15. Provision for Cyclical Maintenance

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Provision at the Start of the Year	312,719	170,199	286,699
Increase/(decrease) to the Provision During the Year	(170,947)	29,379	26,020
Use of the Provision During the Year	(141,772)	-	-
Provision at the End of the Year	-	199,578	312,719
Cyclical Maintenance - Current	-	53,643	137,383
Cyclical Maintenance - Term	-	145,935	175,336
	-	199,578	312,719

16. Painting Contract Liability

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Current Liability	171,465	-	-
Non Current Liability	135,942	-	-
	307,407	-	-

In 2019 the Board signed an agreement with Carus (the contractor) for an agreed programme of work covering a 5 year period. The programme provides for Exterior and roof paint of the Ministry owned buildings in 5, with regular maintenance in subsequent years. The agreement has an annual commitment of $63,237. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

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:

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
No Later than One Year	56,215	-	106,518
Later than One Year and no Later than Five Years	96,020	-	68,043
	152,235	-	174,561

18. Funds Owed (Held) for Capital Works Projects

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

	2019	Opening Balances $	Receipts from MoE $	Payments $	BOT Contribution/ (Write-off to R&M)	Closing Balances $
Security Lights	*in progress*	-	32,096	28,889	-	(3,207)
Heating system upgrade grants	*in progress*	-	43,560	15,842	-	(27,718)
Gym Roof	*in progress*	-	-	4,880	-	4,880
Library	*in progress*	-	-	45,174	-	45,174
Totals		-	75,656	94,785	-	19,129

Represented by:	
Funds Held on Behalf of the Ministry of Education	(30,925)
Funds Due from the Ministry of Education	50,054
	19,129

	2018	Opening Balances $	Receipts from MoE $	Payments $	BOT Contribution/ (Write-off to R&M)	Closing Balances $
Lockdown System	*completed*	(17,688)	-	17,688	-	-
Totals		(17,688)	-	17,688	-	-

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19. 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.

20. Remuneration

Key management personnel compensation

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

	2019 Actual $	2018 Actual $
Board Members		
Remuneration	5,619	4,105
Full-time equivalent members	0.09	0.20
Leadership Team		
Remuneration	151,346	426,457
Full-time equivalent members	1.00	3.00
Total key management personnel remuneration	156,965	430,562
Total full-time equivalent personnel	1.09	3.20

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

Principal

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

	2019 Actual $000	2018 Actual $000
Salaries and Other Short-term Employee Benefits:		
Principal A		
Salary and Other Payments	140 - 150	200 - 210
Benefits and Other Emoluments	4 - 5	6 - 7
Termination Benefits	-	-
Principal B		
Salary and Other Payments	-	90 - 100
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Other Employees

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

Remuneration $000	2019 FTE Number	2018 FTE Number
100 - 110	-	-
	0.00	0.00

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

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21. Compensation and Other Benefits Upon Leaving

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

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

22. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: nil).

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

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

23. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2019 (Capital commitments at 31 December 2018: nil).

(b) Operating Commitments

There are no operating commitments as at 31 December 2019 (Operating commitments at 31 December 2018: nil).

24. 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.

25. Financial Instruments

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

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

	2019 Actual $	2019 Budget (Unaudited) $	2018 Actual $
Cash and Cash Equivalents	74,074	170,548	509,805
Receivables	191,610	318,701	175,645
Investments - Term Deposits	300,000	-	100,895

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Total Financial assets measured at amortised cost	565,684	489,249	786,345
Financial liabilities measured at amortised cost			
Payables	243,058	229,696	214,609
Borrowings - Loans	-	-	-
Finance Leases	146,637	-	149,711
Painting Contract Liability	307,407	-	-
Total Financial Liabilities Measured at Amortised Cost	697,102	229,696	364,320

26. Events After Balance Date

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

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

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

27. Comparatives

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

28. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:
• Note 9 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
• Note 11 Investments:
Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

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

29. Breach of Law - Statutory Reporting

The Board of Trustees has failed to comply with section 87 of the Education Act 1989, as the Board were unable to provide their audited financial statements to the Ministry of Education by 31 May 2020. The disruption caused by the Covid-19 restrictions, including the closure of the school, meant that the audit could not progress as planned. This resulted in the school missing the statutory deadline.

30. Breach of Law - Borrowing Limit

The Board of Trustees did not comply with Clause 29 of Schedule 6 of the Education Act 1989 in that the borrowing limit was exceeded by $147,350. Total borrowings during the year from finance lease and painting contract. The amount of borrowing allowed as per Clause 29 of Schedule 6 of the Education Act 1989 is $103,395.

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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF FOREST VIEW HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Forest View High School (the School). The Auditor-General has appointed me, Fraser Lellman, using the staff and resources of BDO Tauranga to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2019, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2019 and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 17 August 2020. This is the date at which our opinion is expressed.

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

Emphasis of Matter – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 26 on page 20 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

Basis for our opinion

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

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

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

Responsibilities of the Board of Trustees for the financial statements

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Analysis of Variance, Board of Trustees Listing and Kiwisport Report, 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.

Fraser Lellman
BDO Tauranga
On behalf of the Auditor-General
Tauranga, New Zealand