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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 2020

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

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as Tier 2.

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.

PARTNERS: Fraser Lellman CA
Donna Taylor CA

Kenneth Brown CA
Paul Manning CA

Janine Hellyer CA
Jenny Lee CA

ASSOCIATE: Michael Lim CA

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

Responsibilities of the Board for the financial statements

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

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

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required

to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the 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

FOREST VIEW HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



Ministry Number:	159
Principal:	Jocelyn Hale
School Address:	Baird Road
School Phone:	07 886 5219
School Email:	jhale@forestviewhigh.school.nz
Accountant / Service Provider:	Accounting For Schools Limited

FOREST VIEW HIGH SCHOOL

Annual Report - For the year ended 31 December 2020

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Forest View High School

Statement of Responsibility

For the year ended 31 December 2020

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

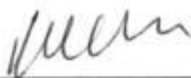
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

Rachael Waldon

Full Name of Board Chairperson



Signature of Board Chairperson

31/5/2021

Date:

Jacelyn Uneina Hale

Full Name of Principal



Signature of Principal

30/5/2021

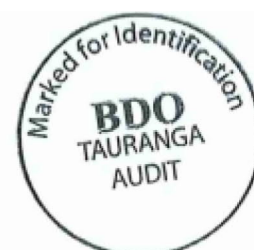
Date:

Forest View High School

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

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	5,465,453	4,686,396	4,609,093
Locally Raised Funds	3	392,641	552,454	682,684
Interest income		2,581	9,000	8,555
Gain on Sale of Property, Plant and Equipment		-	-	6,522
International Students	4	1,487	-	-
		<u>5,862,162</u>	<u>5,247,850</u>	<u>5,306,854</u>
Expenses				
Locally Raised Funds	3	173,045	206,500	353,496
Learning Resources	5	3,634,525	3,262,192	3,275,875
Administration	6	308,450	303,900	264,785
Finance		25,743	11,000	23,320
Property	7	1,413,497	1,423,200	1,450,305
Depreciation	8	169,203	84,811	141,795
		<u>5,724,463</u>	<u>5,291,603</u>	<u>5,509,576</u>
Net Surplus / (Deficit) for the year		137,699	(43,753)	(202,722)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>137,699</u></u>	<u><u>(43,753)</u></u>	<u><u>(202,722)</u></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.



Forest View High School

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

Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Balance at 1 January	252,770	462,951	455,492
Total comprehensive revenue and expense for the year	137,699	(43,753)	(202,722)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	24,902	-	-
Equity at 31 December	415,371	419,198	252,770
Retained Earnings	415,371	419,198	252,770
Equity at 31 December	415,371	419,198	252,770

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.



Forest View High School
Statement of Financial Position
As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	9	171,366	430,707	74,074
Accounts Receivable	10	248,003	175,645	191,610
GST Receivable		19,863	4,665	20,101
Prepayments		19,873	7,338	2,601
Inventories	11	46,963	12,753	-
Investments	12	100,000	100,895	300,000
Funds held for Capital Works Projects	19	5,845	-	19,129
		611,913	732,003	607,515
Current Liabilities				
Accounts Payable	14	338,721	244,822	243,058
Revenue Received in Advance	15	71,741	-	27,994
Provision for Cyclical Maintenance	16	-	137,383	-
Painting Contract Liability - Current Portion	17	92,523	-	171,465
Finance Lease Liability - Current Portion	18	61,643	106,518	56,215
		564,628	488,723	498,732
Working Capital Surplus/(Deficit)		47,285	243,280	108,783
Non-current Assets				
Property, Plant and Equipment	13	606,176	313,326	370,345
		606,176	313,326	370,345
Non-current Liabilities				
Provision for Cyclical Maintenance	16	45,419	94,215	-
Painting Contract Liability	17	95,168	-	135,942
Finance Lease Liability	18	97,503	43,193	90,422
		238,090	137,408	226,364
Net Assets		415,371	419,198	252,770
Equity		415,371	419,198	252,770

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



Forest View High 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		1,800,917	1,194,969	1,201,385
Locally Raised Funds		360,468	348,815	688,385
International Students		1,487	-	-
Goods and Services Tax (net)		242	15,436	(15,436)
Payments to Employees		(770,081)	(557,063)	(661,393)
Payments to Suppliers		(998,324)	(831,663)	(1,427,109)
Cyclical Maintenance Payments in the year		-	156,598	(141,772)
Interest Paid		(25,743)	(11,000)	(23,320)
Interest Received		2,378	9,000	9,360
Net cash from Operating Activities		371,344	325,092	(369,900)
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(283,727)	(27,791)	(69,351)
Purchase of Investments		200,000	199,105	(300,000)
Proceeds from Sale of Investments		-	-	100,895
Net cash from Investing Activities		(83,727)	171,314	(268,456)
Cash flows from Financing Activities				
Furniture and Equipment Grant		24,902	-	-
Finance Lease Payments		(108,795)	3,074	(85,653)
Painting contract payments		(119,716)	(307,407)	307,407
Funds Administered on Behalf of Third Parties		-	-	(19,129)
Funds Held for Capital Works Projects		13,284	19,129	-
Net cash from Financing Activities		(190,325)	(285,204)	202,625
Net increase/(decrease) in cash and cash equivalents		97,292	211,202	(435,731)
Cash and cash equivalents at the beginning of the year	9	74,074	219,505	509,805
Cash and cash equivalents at the end of the year	9	171,366	430,707	74,074

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.



Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020



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 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.

Useful lives of property, plant and equipment

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

Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020



1. Statement of Accounting Policies

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 16.

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.

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.

Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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

j) Investments

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

k) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.



Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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	20 - 50 Years
Furniture and equipment	1.6 - 50 Years
Information and communication technology	3 - 20 Years
Motor Vehicles	10 Years
Library resources	12.5% Diminishing value
Leased assets	Over 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.

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.



Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

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

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

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.



Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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 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 and finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

u) 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.

v) Budget Figures

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

w) 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.



Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020

2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	1,232,314	1,061,506	992,387
Teachers' Salaries Grants	2,734,886	2,500,000	2,469,439
Use of Land and Buildings Grants	998,386	1,000,000	932,347
Resource Teachers Learning and Behaviour Grants	3,420	5,000	7,439
Other MoE Grants	496,447	22,990	92,220
Secondary Tertiary Alignment Resource Funding Grant	-	96,900	89,300
Other Government Grants	-	-	25,961
	5,465,453	4,686,396	4,609,093

The school has opted in to the donations scheme for this year. Total amount received was \$50,700.

Other MOE Grants total includes additional COVID-19 funding totalling \$107,689 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Donations	3,174	1,000	11,359
Bequests & Grants	84,115	50,000	90,189
Activities	44,108	9,200	168,746
Trading	138,765	154,500	104,391
Fundraising	2,586	-	10,225
Other Revenue	106,933	321,754	292,510
House Rental	12,960	16,000	5,264
	392,641	552,454	682,684
Expenses			
Activities	6,837	14,000	177,805
Trading	141,390	142,500	125,839
House Rental	24,818	50,000	28,534
Fundraising (Costs of Raising Funds)	-	-	510
Other Locally Raised Funds Expenditure	-	-	20,808
	173,045	206,500	353,496
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	219,596	345,954	329,188



Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020

4. International Student Revenue and Expenses

	2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
International Student Roll	1	0	0
	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
International Student Fees	1,487	-	-
<i>Surplus/ (Deficit) for the year International Students'</i>	1,487	-	-

5. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	382,833	454,592	230,797
Library Resources	1,745	4,700	2,046
Employee Benefits - Salaries	3,228,754	2,777,000	3,024,468
Staff Development	21,193	25,900	18,564
	3,634,525	3,262,192	3,275,875

6. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	7,187	7,000	7,828
Board of Trustees Fees	4,545	5,300	5,619
Board of Trustees Expenses	3,302	9,150	4,764
Communication	26,467	24,500	8,315
Other	67,173	66,950	61,608
Employee Benefits - Salaries	172,074	166,000	148,268
Insurance	8,132	4,000	3,118
Service Providers, Contractors and Consultancy	19,570	21,000	25,265
	308,450	303,900	264,785



Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020

7. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	94,255	90,000	88,569
Consultancy and Contract Services	5,083	-	108,728
Cyclical Maintenance Provision	45,419	75,000	-
Grounds	38,734	30,000	30,522
Heat, Light and Water	55,847	81,000	75,615
Rates	19,456	18,200	13,021
Repairs and Maintenance	47,449	30,500	108,387
Use of Land and Buildings	998,386	1,000,000	932,347
Security	2,396	2,000	1,614
Employee Benefits - Salaries	106,472	96,500	91,502
	<u>1,413,497</u>	<u>1,423,200</u>	<u>1,450,305</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.

8. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	5,015	3,000	4,502
Furniture and Equipment	30,944	10,000	18,232
Information and Communication Technology	23,935	5,000	11,238
Motor Vehicles	14,839	7,500	15,045
Textbooks	503	311	590
Leased Assets	89,327	56,000	87,059
Library Resources	4,640	3,000	5,129
	<u>169,203</u>	<u>84,811</u>	<u>141,795</u>

9. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	464	-	200
Bank Current Account	170,902	430,707	73,874
Cash and cash equivalents for Cash Flow Statement	<u>171,366</u>	<u>430,707</u>	<u>74,074</u>

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



Forest View High School
Notes to the Financial Statements
For the year ended 31 December 2020

10. Accounts Receivable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	11,813	175,645	-
Receivables from the Ministry of Education	3,944	-	-
Interest Receivable	203	-	-
Banking Staffing Underuse	-	-	8,573
Teacher Salaries Grant Receivable	232,043	-	183,037
	<u>248,003</u>	<u>175,645</u>	<u>191,610</u>
Receivables from Exchange Transactions	12,016	175,645	-
Receivables from Non-Exchange Transactions	235,987	-	191,610
	<u>248,003</u>	<u>175,645</u>	<u>191,610</u>

11. Inventories

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	46,963	12,753	-
	<u>46,963</u>	<u>12,753</u>	<u>-</u>

12. Investments

The School's investment activities are classified as follows:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	100,000	100,895	300,000



Forest View High School
Notes to the Financial Statements
For the year ended 31 December 2020

13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	17,207	30,085	-	-	(5,015)	42,277
Furniture and Equipment	56,529	174,407	-	-	(30,944)	199,992
Information and Communication Technology	54,795	77,212	-	-	(23,935)	108,072
Motor Vehicles	54,869	-	-	-	(14,839)	40,030
Textbooks	944	-	-	-	(503)	441
Leased Assets	150,061	121,304	-	-	(89,327)	182,038
Library Resources	35,939	2,027	-	-	(4,640)	33,326
Balance at 31 December 2020	370,345	405,035	-	-	(169,203)	606,176

The net carrying value of equipment held under a finance lease is \$182,038 (2019: \$150,061).

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	157,339	(115,062)	42,277
Furniture and Equipment	347,193	(147,201)	199,992
Information and Communication Technology	169,728	(61,656)	108,072
Motor Vehicles	142,640	(102,610)	40,030
Textbooks	2,952	(2,511)	441
Leased Assets	466,583	(284,545)	182,038
Library Resources	138,866	(105,540)	33,326
Balance at 31 December 2020	1,425,301	(819,125)	606,176

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	21,709	-	-	-	(4,502)	17,207
Furniture and Equipment	56,549	18,213	-	-	(18,232)	56,529
Information and Communication Technology	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



Forest View High School
Notes to the Financial Statements
For the year ended 31 December 2020

13. Property, Plant and Equipment cont.

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Buildings	127,254	(110,047)	17,207
Furniture and Equipment	896,452	(839,923)	56,529
Information and Communication Technology	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

14. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	81,570	214,609	36,479
Accruals	5,212	30,213	5,979
Employee Entitlements - Salaries	232,043	-	183,037
Employee Entitlements - Leave Accrual	19,896	-	17,563
	338,721	244,822	243,058
Payables for Exchange Transactions	338,721	244,822	243,058
	338,721	244,822	243,058

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Grants in Advance - Ministry of Education	9,240	-	-
Grants in Advance - Community	50,923	-	-
AP's Credit Balances	7,836	-	22,542
Drivers License Scheme	3,742	-	5,452
	71,741	-	27,994



Forest View High School
Notes to the Financial Statements
For the year ended 31 December 2020

16. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	-	(141,772)	312,719
Increase/ (decrease) to the Provision During the Year	45,419	373,370	(170,947)
Use of the Provision During the Year	-	-	(141,772)
Provision at the End of the Year	<u>45,419</u>	<u>231,598</u>	<u>-</u>
Cyclical Maintenance - Current	-	137,383	-
Cyclical Maintenance - Term	45,419	94,215	-
	<u>45,419</u>	<u>231,598</u>	<u>-</u>

17. Painting Contract Liability

	2020	2020	2019
	Actual	Budget	Actual
	\$	\$	\$
Current Liability	92,523	-	171,465
Non Current Liability	95,168	-	135,942
	<u>187,691</u>	<u>-</u>	<u>307,407</u>

In 2019 the Board signed an agreement with Carus (the contractor) for an agreed programme of work covering a five year period. The programme provides for an exterior and roof repaint of the Ministry owned buildings, 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.

18. 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	61,643	106,518	56,215
Later than One Year and no Later than Five Years	97,503	43,193	96,020
	<u>159,146</u>	<u>149,711</u>	<u>152,235</u>





Forest View High School
Notes to the Financial Statements
For the year ended 31 December 2020

19. Funds Held for Capital Works Projects

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

	2020	Opening Balances	Receipts from MoE	Payments	BOT Contributions /Transfers	Closing Balances
		\$	\$	\$		\$
Gym Roof	<i>completed</i>	(4,880)	38	-	4,842	-
Heating System Upgrade Grants	<i>completed</i>	27,718	(601)	(42,719)	15,602	-
Library	<i>in progress</i>	(45,174)	64,278	(66,122)	45,174	(1,844)
Security Lights	<i>completed</i>	3,207	17,020	-	(20,227)	-
Auditorium Kitchen	<i>in progress</i>	-	25,000	(15,000)	-	10,000
Auditorium Heating	<i>in progress</i>	-	-	(6,100)	-	(6,100)
LCS Office Conversion	<i>in progress</i>	-	39,920	(49,424)	-	(9,504)
Carpet Replacement	<i>in progress</i>	-	31,688	(30,085)	-	1,603
Heat Pumps	<i>completed</i>	-	217	-	(217)	-
Totals		(19,129)	177,560	(209,450)	45,174	(5,845)

Represented by:

Funds Held on Behalf of the Ministry of Education	11,603
Funds Due from the Ministry of Education	(17,448)
	(5,845)

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$		\$
Gym Roof	<i>in progress</i>	-	-	(4,880)	-	(4,880)
Heating System Upgrade Grants	<i>in progress</i>	-	43,560	(15,842)	-	27,718
Library	<i>in progress</i>	-	-	(45,174)	-	(45,174)
Security Lights	<i>in progress</i>	-	32,096	(28,889)	-	3,207
Totals		-	75,656	(94,785)	-	(19,129)

20. 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.

Forest View High School
Notes to the Financial Statements
For the year ended 31 December 2020



21. 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	4,545	5,619
Full-time equivalent members	0.17	0.09
<i>Leadership Team</i>		
Remuneration	581,827	151,346
Full-time equivalent members	5	1
Total key management personnel remuneration	<u>586,372</u>	<u>156,965</u>
Total full-time equivalent personnel	<u>5.17</u>	<u>1.09</u>

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

Principal

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	7.00	0.00
110 - 120	1.00	0.00
	<u>8.00</u>	<u>0.00</u>

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

22. Compensation and Other Benefits Upon Leaving

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

	2020 Actual	2019 Actual
Total	\$25,000	-
Number of People	1	-

Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020

23. Contingencies

There are no contingent liabilities (except as noted below) 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.

24. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into the following contract agreements for capital works:
(Capital commitments at 31 December 2019: \$Nil)

(b) Operating Commitments

As at 31 December 2020 the Board has not entered into any operating contracts.
(Operating commitments at 31 December 2019: \$Nil)

25. 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.



Forest View High School

Notes to the Financial Statements

For the year ended 31 December 2020

26. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	171,366	430,707	74,074
Receivables	248,003	175,645	191,610
Investments - Term Deposits	100,000	100,895	300,000
Total Financial assets measured at amortised cost	<u>519,369</u>	<u>707,247</u>	<u>565,684</u>

Financial liabilities measured at amortised cost

Payables	338,721	244,822	243,058
Finance Leases	159,146	149,711	146,637
Painting Contract Liability	187,691	-	307,407
Total Financial Liabilities Measured at Amortised Cost	<u>685,558</u>	<u>394,533</u>	<u>697,102</u>

27. Events After Balance Date

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

28. Comparatives

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

29. Breach of Law- Borrowing Limit

The Board of Trustees did not comply with Section 155 of the Education and Training Act 2020 in that the borrowing limit was exceeded by \$45,810. Total borrowings during the year were from finance leases and the painting contract. The amount of borrowing allowed as per Section 155 of the Education and Training Act 2020 is \$123,231.



Forest View High School

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How position on Board gained	Term expired/expires
Rachal Waldon	Chairperson		June 2022
Jocelyn Hale	Principal		
Wayne Comer	Parent Rep		June 2022
Mary Jayne Matetak	Parent Rep		June 2022
Temuna Tiro	Parent Rep		June 2022
Melissa Beckett	Parent Rep		June 2022
Sarah Middlebrook	Parent Rep		June 2022
Jess Earnshaw	Staff Rep		June 2022
Juliette Hill	Student Rep	Co-opted November 2020	June 2022
Matthew Martin	Student Rep		November 2020