



GROUP ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 373

Principal: Mason Stretch

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CROMWELL COLLEGE

Group Annual Report - For the year ended 31 December 2020

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Cromwell College

Statement of Responsibility

For the year ended 31 December 2020

The Board of Trustees accepts responsibility for the preparation of the annual consolidated financial statements and the judgements used in these consolidated 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 group's financial reporting.

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

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

Matt Dacey

Full Name of Board Chairperson



Signature of Board Chairperson

28/5/21

Date:

Mason Daniel Stretch

Full Name of Principal



Signature of Principal

28/5/21

Date:

Cromwell College

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How Position Gained	Held Until
Matt Dicey	Chairperson	Elected	May 2022
Mason Stretch	Principal	ex Officio	
Terry Davis	Parent Rep	Elected	May 2022
Paul Bisset	Parent Rep	Elected	May 2022
Odette Hopgood-Bride	Parent Rep	Elected	May 2022
Beth Phelps	Parent Rep	Elected	May 2022
Kate Borrie	Staff Rep	Elected	May 2022
Bella Dickison	Student Rep	Elected	Sep 2020
Molly Christensen	Student Rep	Elected	Sep 2021

Cromwell College
Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020	School 2020 Budget	2019	2020	Group 2020 Budget	2019
		Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
		\$	\$	\$	\$	\$	\$
Revenue							
Government Grants	2	6,676,288	7,183,738	6,067,843	6,676,288	7,183,738	6,067,843
Locally Raised Funds	3	419,562	121,064	500,343	539,230	260,731	576,162
Interest Earned		7,548	10,000	11,633	9,661	12,500	14,459
Hostel	4	432,527	494,524	582,941	370,860	494,524	582,941
International Students	5	110,030	86,991	121,395	110,030	86,991	121,395
Other Revenue		61,445	-	-	61,445	-	-
<i>Total revenue</i>		<u>7,707,400</u>	<u>7,896,317</u>	<u>7,284,155</u>	<u>7,767,514</u>	<u>8,038,484</u>	<u>7,362,800</u>
Expenses							
Locally Raised Funds	3	147,630	30,000	152,367	203,570	106,520	200,911
Hostel	4	464,845	470,613	561,582	403,178	470,613	487,582
International Students	5	63,644	68,102	98,449	63,644	68,102	98,449
Learning Resources	6	4,493,323	5,052,705	4,030,784	4,493,323	5,052,705	4,030,784
Administration	7	352,528	349,724	339,475	352,528	349,724	339,475
Finance		3,522	-	6,124	13,185	9,663	17,623
Property	8	1,936,380	1,898,411	1,831,935	1,936,380	1,898,411	1,831,935
Depreciation	9	158,030	100,000	159,164	203,144	140,000	199,272
Loss on Disposal of Property, Plant and Equipment		316	-	574	316	-	574
<i>Total expenses</i>		<u>7,620,218</u>	<u>7,969,555</u>	<u>7,180,454</u>	<u>7,669,268</u>	<u>8,095,738</u>	<u>7,206,605</u>
Net Surplus / (Deficit) for the year		87,182	(73,238)	103,701	98,246	(57,254)	156,195
Other Comprehensive Revenue and Expenses							
<i>Item that will not be reclassified to surplus(deficit)</i>							
Gain on equity investment revaluations	30	-	-	-	-	-	-
<i>Total other comprehensive revenue and expense</i>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Comprehensive Revenue and Expense for the Year		<u><u>87,182</u></u>	<u><u>(73,238)</u></u>	<u><u>103,701</u></u>	<u><u>98,246</u></u>	<u><u>(57,254)</u></u>	<u><u>156,195</u></u>

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

Cromwell College
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	School Budget (Unaudited) 2020 \$	Actual 2019 \$	Actual 2020 \$	Group Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		1,141,916	1,141,916	1,004,959	2,237,619	2,237,619	2,048,168
Total comprehensive revenue and expense for the year		87,182	(73,238)	103,701	98,246	(57,254)	156,195
Capital Contributions from the Ministry of Education							
Contribution - Furniture and Equipment Grant		-	-	33,256	-	-	33,256
Equity at 31 December	30	<u>1,229,098</u>	<u>1,068,678</u>	<u>1,141,916</u>	<u>2,335,865</u>	<u>2,180,365</u>	<u>2,237,619</u>
Retained Earnings		1,229,098	1,068,678	1,141,916	2,335,865	2,180,365	2,237,619
Equity at 31 December		<u>1,229,098</u>	<u>1,068,678</u>	<u>1,141,916</u>	<u>2,335,865</u>	<u>2,180,365</u>	<u>2,237,619</u>
Reserve Movements Analysis							
Accumulated surplus/(deficit)							
Balance at 1 January		1,141,916	1,141,916	1,004,959	2,237,619	2,237,619	2,048,168
Furniture & Equipment grant		-	-	33,256	-	-	33,256
Surplus/(deficit) for the year		87,182	(73,238)	103,701	98,246	(57,254)	156,195
Balance 31 December		<u>1,229,098</u>	<u>1,068,678</u>	<u>1,141,916</u>	<u>2,335,865</u>	<u>2,180,365</u>	<u>2,237,619</u>
Total equity		<u>1,229,098</u>	<u>1,068,678</u>	<u>1,141,916</u>	<u>2,335,865</u>	<u>2,180,365</u>	<u>2,237,619</u>

The above Consolidated Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

Cromwell College Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets							
Cash and Cash Equivalents	10	593,928	826,586	799,824	676,401	945,008	862,262
Accounts Receivable	11	394,415	560,538	560,538	395,341	561,764	561,764
GST Receivable		54,216	66,443	66,443	54,216	62,433	62,433
Prepayments		35,695	35,807	35,807	52,962	53,055	53,055
Investments	12	199,299	192,534	192,534	281,122	271,944	271,944
		<u>1,277,553</u>	<u>1,681,908</u>	<u>1,655,146</u>	<u>1,460,042</u>	<u>1,894,204</u>	<u>1,811,458</u>
Current Liabilities							
GST Payable		-	-	-	2,069	-	-
Accounts Payable	14	480,580	425,140	425,140	491,701	430,334	430,334
Borrowings - Due in one year	15	-	-	-	27,162	27,162	27,162
Revenue Received in Advance	16	149,970	246,386	246,386	149,970	246,386	246,386
Provision for Cyclical Maintenance	17	22,500	18,382	18,382	22,500	18,382	18,382
Finance Lease Liability - Current Portion	18	60,732	78,587	78,587	60,732	78,587	78,587
Funds held in Trust	19	4,168	4,168	4,168	4,168	4,168	4,168
Funds held for Capital Works Projects	20	104,882	565,573	565,573	104,882	565,573	565,573
Funds for RTLB services	21	20,704	2,937	2,937	20,704	2,937	2,937
Funds held on behalf of other Clusters	22,23,24	96,853	55,498	55,498	96,853	55,498	55,498
		<u>940,389</u>	<u>1,396,671</u>	<u>1,396,671</u>	<u>980,741</u>	<u>1,429,027</u>	<u>1,429,027</u>
Working Capital Surplus/(Deficit)		337,164	285,237	258,475	479,301	465,177	382,431
Non-current Assets							
Property, Plant and Equipment	13	1,055,302	1,010,475	1,110,475	2,140,514	2,095,258	2,235,258
		<u>1,055,302</u>	<u>1,010,475</u>	<u>1,110,475</u>	<u>2,140,514</u>	<u>2,095,258</u>	<u>2,235,258</u>
Non-current Liabilities							
Borrowings	15	-	-	-	120,582	153,036	153,036
Provision for Cyclical Maintenance	17	133,639	148,777	148,777	133,639	148,777	148,777
Finance Lease Liability	18	29,729	78,257	78,257	29,729	78,257	78,257
		<u>163,368</u>	<u>227,034</u>	<u>227,034</u>	<u>283,950</u>	<u>380,070</u>	<u>380,070</u>
Net Assets		1,229,098	1,068,678	1,141,916	2,335,865	2,180,365	2,237,619
Equity:							
Accumulated surplus/deficit	30	1,229,098	1,068,678	1,141,916	2,335,865	2,180,365	2,237,619
Total equity	30	1,229,098	1,068,678	1,141,916	2,335,865	2,180,365	2,237,619

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

Cromwell College
Statement of Cash Flows
For the year ended 31 December 2020

	Notes	2020	School 2020 Budget	2019	2020	Group 2020 Budget	2019
		Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
		\$	\$	\$	\$	\$	\$
Cash flows from Operating Activities							
Government Grants		1,538,063	1,343,999	1,280,356	1,538,063	1,343,999	1,280,356
Locally Raised Funds		646,475	121,064	279,071	806,118	260,731	394,865
Hostel		432,527	494,524	582,941	370,860	494,524	582,941
International Students		6,984	86,991	117,170	6,984	86,991	117,170
Goods and Services Tax (net)		12,227	-	(10,630)	10,286	-	(12,985)
Funds Administered on Behalf of Third Parties		99,097	-	(1,106)	59,122	-	(41,081)
Payments to Employees		(1,029,640)	(898,114)	(881,120)	(1,029,640)	(898,114)	(881,120)
Payments to Suppliers		(1,270,175)	(1,104,702)	(1,343,255)	(1,258,540)	(1,181,222)	(1,315,765)
Cyclical Maintenance Payments in the year		(22,985)	(27,000)	(32,018)	(22,985)	(27,000)	(32,018)
Interest Paid		-	-	(6,124)	(9,663)	(9,663)	(17,623)
Interest Received		9,087	10,000	10,981	11,500	12,500	13,803
Net cash from / (to) Operating Activities		421,660	26,762	(3,734)	482,105	82,746	88,543
Cash flows from Investing Activities							
Proceeds from Sale of PPE (and Intangibles)		(316)	-	(575)	(316)	-	(575)
Purchase of PPE (and Intangibles)		(87,790)	-	(98,002)	(93,333)	-	(153,954)
Purchase of Investments		(6,765)	-	46,919	(9,178)	-	44,270
Net cash (to) / from Investing Activities		(94,871)	-	(51,658)	(102,827)	-	(110,259)
Cash flows from Financing Activities							
Furniture and Equipment Grant		-	-	33,256	-	-	33,256
Finance Lease Payments		(71,994)	-	(42,511)	(71,994)	-	(42,511)
Loans Received/ Repayment of Loans		-	-	-	(32,454)	-	(30,618)
Funds Held for Capital Works Projects		(460,691)	-	573,116	(460,691)	-	573,116
Net cash (to) / from Financing Activities		(532,685)	-	563,861	(565,139)	-	533,243
Net (decrease) / increase in cash and cash equivalents		(205,896)	26,762	508,469	(185,861)	82,746	511,527
Cash and cash equivalents at the beginning of the year	10	799,824	799,824	291,355	862,262	862,262	350,735
Cash and cash equivalents at the end of the year	10	593,928	826,586	799,824	676,401	945,008	862,262

The Consolidated 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 omitted.

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

Cromwell College

Notes to the Group Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Cromwell College 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 Cromwell College (the 'Group') consists of Cromwell College and its subsidiary trust. The subsidiary is a School Trust ('Trust') which supports the school by raising funds and making donations for the school.

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

Basis of Consolidation

The group financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the group on a line-by-line basis. All intra-group balances, transactions, revenue, and expenses are eliminated on consolidation.

Details of investment in subsidiaries are set out in Note 32.

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 consolidated 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 Group 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 Group qualifies for Tier 2 as the group 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 consolidated financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These consolidated 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 consolidated financial statements are set out below.

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 17.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

Consolidation of entities

The Group consolidates entities based on whether the School has established control of the subsidiary. The subsidiaries which are controlled are disclosed at Note 32.

c) Revenue Recognition

Government Grants

The Group 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 Group 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 Group has the rights to the funding in the salary period they relate to. The grants are not received in cash by the Group 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 Group uses the land and buildings. These are not received in cash by the Group 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 Group 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 Group.

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 Group operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The Group'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 Consolidated Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly

liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

h) Accounts Receivable

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

i) Inventories

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

Equity investments are designated at initial recognition at fair value through other comprehensive revenue and expense. They are initially measured at fair value plus transaction costs. They are subsequently measured at their fair value with gains and losses recognised in other comprehensive revenue and expense. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to accumulated surplus/(deficit).

The Group has met the requirements of Section 154 (2)(b)(ii) of the Education and Training Act 2020 in relation to the acquisition of investment securities.

k) Property, Plant and Equipment

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

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

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

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	50 years
Furniture and equipment	10–20 years
Information and communication technology	4–5 years
Motor vehicles	10 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

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

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

Non cash generating assets

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

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

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

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

m) Accounts Payable

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

n) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

o) Revenue Received in Advance

Revenue received in advance relates to fees received from international, hostel students and grants received where there are unfulfilled obligations for the Group to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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

p) Funds Held in Trust

Funds are held in trust where they have been received by the Group for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Consolidated Statement of Revenue and Expense.

The Group holds sufficient funds to enable the funds to be used for their intended purpose at any time.

q) Shared Funds

Shared Funds are held on behalf of participating schools as agreed with the Ministry of Education. These funds are outside of the Group's control. These amounts are not recorded in the Statement of Revenue and Expense. The Group holds sufficient funds to enable the funds to be used for their intended purpose.

r) Provision for Cyclical Maintenance

The property from which the Group 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 Group sites in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the Group, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

s) Financial Instruments

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

t) 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.

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

u) Goods and Services Tax (GST)

The consolidated 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 consolidated statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

v) Budget Figures

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

w) Services received in-kind

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

2. Government Grants

	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	1,229,914	1,199,266	1,132,845	1,229,914	1,199,266	1,132,845
Teachers' Salaries Grants	3,562,244	4,318,940	3,244,979	3,562,244	4,318,940	3,244,979
Use of Land and Buildings Grants	1,575,482	1,520,799	1,520,799	1,575,482	1,520,799	1,520,799
Other MoE Grants	229,310	72,000	78,782	229,310	72,000	78,782
Other Government Grants	79,338	72,733	90,438	79,338	72,733	90,438
	6,676,288	7,183,738	6,067,843	6,676,288	7,183,738	6,067,843

Other MOE Grants total includes additional COVID-19 funding totalling \$56,875 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Revenue						
Donations	157,406	38,200	182,711	157,906	38,200	142,711
Fundraising	12,814	16,000	30,318	12,814	16,000	30,318
Bequests & Grants	27,893	14,915	41,551	27,893	14,915	41,551
Other Revenue	65,344	33,949	91,279	184,512	173,616	207,098
Trading	8,193	2,500	4,401	8,193	2,500	4,401
Activities	147,912	15,500	150,083	147,912	15,500	150,083
	419,562	121,064	500,343	539,230	260,731	576,162
Expenses						
Activities	146,955	29,000	151,855	146,955	29,000	151,855
Trading	675	1,000	512	675	1,000	512
Other Locally Raised Funds Expenditure	-	-	-	55,940	76,520	48,544
	147,630	30,000	152,367	203,570	106,520	200,911
<i>Surplus for the year Locally raised funds</i>	271,932	91,064	347,976	335,660	154,211	375,251

4. Hostel Revenue and Expenses

	2020 Actual Number	School 2020 Budget (Unaudited) Number	2019 Actual Number	2020 Actual Number	Group 2020 Budget (Unaudited) Number	2019 Actual Number
Hostel Financial Performance						
Hostel Full Boarders	23	23	23	23	23	23
	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Revenue						
Hostel Fees	145,724	168,024	261,310	145,724	168,024	261,310
Other Revenue	286,803	326,500	321,631	225,136	326,500	321,631
	432,527	494,524	582,941	370,860	494,524	582,941
Expenses						
Extra Curricular/Activities	24,847	24,300	41,202	24,847	24,300	41,202
Administration	17,817	18,000	29,000	17,817	18,000	29,000
Property	307,655	328,113	390,903	245,988	328,113	316,903
Employee Benefit - Salaries	114,526	100,200	100,477	114,526	100,200	100,477
	464,845	470,613	561,582	403,178	470,613	487,582
<i>(Deficit)/ Surplus for the year Hostel</i>	(32,318)	23,911	21,359	(32,318)	23,911	95,359

5. International Student Revenue and Expenses

	2020 Actual Number	School 2020 Budget (Unaudited) Number	2019 Actual Number	2020 Actual Number	Group 2020 Budget (Unaudited) Number	2019 Actual Number
International Student Roll	7	6	8	7	6	8
	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Revenue						
International Student Fees	110,030	86,991	121,395	110,030	86,991	121,395
Expenses						
Recruitment	27,903	30,815	53,012	27,903	30,815	53,012
International Student Levy	3,032	2,190	2,973	3,032	2,190	2,973
Employee Benefit - Salaries	32,709	35,097	42,464	32,709	35,097	42,464
	63,644	68,102	98,449	63,644	68,102	98,449
<i>Surplus for the year International Students</i>	46,386	18,889	22,946	46,386	18,889	22,946

6. Learning Resources

	2020	School 2020 Budget	2019	2020	Group 2020 Budget	2019
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Curricular	226,879	149,327	238,699	226,879	149,327	238,699
Information and Communication Technology	18,672	41,992	21,026	18,672	41,992	21,026
Library Resources	3,234	5,948	3,152	3,234	5,948	3,152
Employee Benefits - Salaries	4,199,721	4,822,938	3,724,378	4,199,721	4,822,938	3,724,378
Staff Development	44,817	32,500	43,529	44,817	32,500	43,529
	4,493,323	5,052,705	4,030,784	4,493,323	5,052,705	4,030,784

7. Administration

	2020	School 2020 Budget	2019	2020	Group 2020 Budget	2019
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Audit Fee	6,569	6,377	5,448	6,569	6,377	5,448
Board of Trustees Fees	3,572	3,500	3,205	3,572	3,500	3,205
Board of Trustees Expenses	6,909	2,500	3,524	6,909	2,500	3,524
Communication	18,165	18,500	19,179	18,165	18,500	19,179
Consumables	37,034	41,150	24,647	37,034	41,150	24,647
Other	26,560	32,750	38,081	26,560	32,750	38,081
Employee Benefits - Salaries	212,041	204,207	202,554	212,041	204,207	202,554
Insurance	35,153	34,000	33,812	35,153	34,000	33,812
Service Providers, Contractors and Consultancy	6,525	6,740	9,025	6,525	6,740	9,025
	352,528	349,724	339,475	352,528	349,724	339,475

8. Property

	2020	School 2020 Budget	2019	2020	Group 2020 Budget	2019
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Caretaking and Cleaning Consumables	13,015	14,000	10,317	13,015	14,000	10,317
Consultancy and Contract Services	96,742	93,600	82,760	96,742	93,600	82,760
Cyclical Maintenance Provision	11,965	27,000	16,360	11,965	27,000	16,360
Grounds	26,855	18,800	23,136	26,855	18,800	23,136
Heat, Light and Water	84,256	107,750	70,896	84,256	107,750	70,896
Rates	2,345	1,850	2,184	2,345	1,850	2,184
Repairs and Maintenance	74,955	58,000	53,503	74,955	58,000	53,503
Use of Land and Buildings	1,575,482	1,520,799	1,520,799	1,575,482	1,520,799	1,520,799
Security	1,931	2,000	2,911	1,931	2,000	2,911
Employee Benefits - Salaries	48,834	54,612	49,069	48,834	54,612	49,069
	1,936,380	1,898,411	1,831,935	1,936,380	1,898,411	1,831,935

The use of land and buildings figure represents 8% of the Group's total property value. This is used as a 'proxy' for the market rental of the property. Property values are established as part of the national revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

9. Depreciation

	2020	School 2020 Budget	2019	2020	Group 2020 Budget	2019
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Buildings - School	-	-	-	28,979	25,000	28,980
Building Improvements - Crown	19,940	15,000	20,412	19,940	15,000	20,412
Furniture and Equipment	30,233	20,000	28,671	46,368	35,000	39,799
Information and Communication Technology	10,301	8,000	10,114	10,301	8,000	10,114
Motor Vehicles	16,121	15,000	15,676	16,121	15,000	15,676
Leased Assets	80,447	41,000	83,413	80,447	41,000	83,413
Library Resources	988	1,000	878	988	1,000	878
	158,030	100,000	159,164	203,144	140,000	199,272

10. Cash and Cash Equivalents

	2020	School 2020 Budget	2019	2020	Group 2020 Budget	2019
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Cash on Hand	-	-	200	-	-	200
Bank Current Account	104,325	826,586	133,759	186,798	-	196,197
Bank Call Account	489,603	-	665,865	489,603	945,008	665,865
Cash equivalents and bank overdraft for Consolidated Cash Flow Statement	593,928	826,586	799,824	676,401	945,008	862,262

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

Of the \$676,401 Cash and Cash Equivalents, \$157,859 is held by the Group on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned group buildings under the Group's Five Year Property Plan.

Of the \$676,401 Cash and Cash Equivalents, \$20,704 is held by the School on behalf of the RTLB cluster. See note 21 for details of how the funding received for the cluster has been spent in the year.

Of the \$676,401 Cash and Cash Equivalents, \$22,563 is held by the School on behalf of the RTLit cluster. See note 22 for details of how the funding received for the cluster has been spent in the year.

Of the \$676,401 Cash and Cash Equivalents, \$45,732 is held by the School on behalf of the Alt Ed Consort cluster. See note 23 for details of how the funding received for the cluster has been spent in the year.

Of the \$676,401 Cash and Cash Equivalents, \$28,558 is held by the School on behalf of the Central Otago Youth Employment cluster. See note 24 for details of how the funding received for the cluster has been spent in the year.

Of the \$676,401 Cash and Cash Equivalents, \$4,168 is held by the Group for Funds held in Trust. See note 19.

11. Accounts Receivable

	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	29,490	228,303	228,303	29,490	228,303	228,303
Receivables from the Ministry of Education	1,887	14,366	14,366	1,887	14,366	14,366
Interest Receivable	2,377	3,916	3,916	3,303	5,142	5,142
Teacher Salaries Grant Receivable	360,661	313,953	313,953	360,661	313,953	313,953
	394,415	560,538	560,538	395,341	561,764	561,764
Receivables from Exchange Transactions	31,867	232,219	232,219	32,793	233,445	233,445
Receivables from Non-Exchange Transactions	362,548	328,319	328,319	362,548	328,319	328,319
	394,415	560,538	560,538	395,341	561,764	561,764

12. Investments

The Group and School's investment's are classified as follows:

	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset						
Short-term Bank Deposits	199,299	192,534	192,534	281,122	271,944	271,944
	199,299	192,534	192,534	281,122	271,944	271,944
Total Investments	199,299	192,534	192,534	281,122	271,944	271,944

13. Property, Plant and Equipment

GROUP

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2020						
Land and Buildings - Trust	979,926	-	-	-	(28,979)	950,947
Building Improvements	608,895	-	-	-	(19,940)	588,955
Furniture and Equipment	392,299	33,738	-	-	(46,368)	379,669
Information and Communication Technology	18,549	19,356	-	-	(10,301)	27,604
Motor Vehicles	69,808	38,483	-	-	(16,121)	92,170
Leased Assets	159,634	15,067	-	-	(80,447)	94,254
Library Resources	6,147	2,072	(316)	-	(988)	6,915
Balance at 31 December 2020	2,235,258	108,716	(316)	-	(203,144)	2,140,514

GROUP

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2020			
Land and Buildings - Trust	1,448,968	(498,021)	950,947
Building Improvements	908,241	(319,286)	588,955
Furniture and Equipment	880,630	(500,961)	379,669
Information and Communication Technology	332,115	(304,511)	27,604
Motor Vehicles	229,874	(137,704)	92,170
Leased Assets	253,148	(158,894)	94,254
Library Resources	50,848	(43,933)	6,915
Balance at 31 December 2020	4,103,824	(1,963,310)	2,140,514

The net carrying value of equipment held under a finance lease is \$94,254 (2019: \$159,634)

GROUP

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Land and Buildings - Trust	1,008,906	-	-	-	(28,980)	979,926
Building Improvements	627,595	1,712	-	-	(20,412)	608,895
Furniture and Equipment	339,881	92,217	-	-	(39,799)	392,299
Information and Communication Technology	28,663	-	-	-	(10,114)	18,549
Motor Vehicles	85,484	-	-	-	(15,676)	69,808
Leased Assets	71,101	171,946	-	-	(83,413)	159,634
Library Resources	3,451	4,148	(574)	-	(878)	6,147
Balance at 31 December 2019	2,165,081	270,023	(574)	-	(199,272)	2,235,258

GROUP

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Land and Buildings - Trust	1,448,968	(469,042)	979,926
Building Improvements	908,241	(299,346)	608,895
Furniture and Equipment	846,893	(454,594)	392,299
Information and Communication Technology	312,759	(294,210)	18,549
Motor Vehicles	191,391	(121,583)	69,808
Leased Assets	288,361	(128,727)	159,634
Library Resources	51,420	(45,273)	6,147
Balance at 31 December 2019	4,048,033	(1,812,775)	2,235,258

SCHOOL

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2020						
Building Improvements	608,895	-	-	-	(19,940)	588,955
Furniture and Equipment	247,442	28,195	-	-	(30,233)	245,404
Information and Communication Technology	18,549	19,356	-	-	(10,301)	27,604
Motor Vehicles	69,808	38,483	-	-	(16,121)	92,170
Leased Assets	159,634	15,067	-	-	(80,447)	94,254
Library Resources	6,147	2,072	(316)	-	(988)	6,915
Balance at 31 December 2020	1,110,475	103,173	(316)	-	(158,030)	1,055,302

SCHOOL

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2020			
Building Improvements	908,241	(319,286)	588,955
Furniture and Equipment	711,740	(466,336)	245,404
Information and Communication Technology	332,115	(304,511)	27,604
Motor Vehicles	229,874	(137,704)	92,170
Leased Assets	253,148	(158,894)	94,254
Library Resources	50,848	(43,933)	6,915
Balance at 31 December 2020	2,485,966	(1,430,664)	1,055,302

The net carrying value of equipment held under a finance lease is \$94,254 (2019: \$159,634)

SCHOOL

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Building Improvements	627,595	1,712	-	-	(20,412)	608,895
Furniture and Equipment	239,848	36,265	-	-	(28,671)	247,442
Information and Communication Technology	28,663	-	-	-	(10,114)	18,549
Motor Vehicles	85,484	-	-	-	(15,676)	69,808
Leased Assets	71,101	171,946	-	-	(83,413)	159,634
Library Resources	3,451	4,148	(574)	-	(878)	6,147
Balance at 31 December 2019	1,056,142	214,071	(574)	-	(159,164)	1,110,475

SCHOOL

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Building Improvements	908,241	(299,346)	608,895
Furniture and Equipment	683,545	(436,103)	247,442
Information and Communication Technology	312,759	(294,210)	18,549
Motor Vehicles	191,391	(121,583)	69,808
Leased Assets	288,361	(128,727)	159,634
Library Resources	51,420	(45,273)	6,147
Balance at 31 December 2019	2,435,717	(1,325,242)	1,110,475

14. Accounts Payable

	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	58,592	65,042	65,042	68,651	69,206	69,206
Accruals	6,569	7,334	7,334	7,631	8,364	8,364
Employee Entitlements - Salaries	374,974	318,911	318,911	374,974	318,911	318,911
Employee Entitlements - Leave Accrual	40,445	33,853	33,853	40,445	33,853	33,853
	480,580	425,140	425,140	491,701	430,334	430,334
Payables for Exchange Transactions	480,580	425,140	425,140	491,701	430,334	430,334
	480,580	425,140	425,140	491,701	430,334	430,334

The carrying value of payables approximates their fair value.

15. Borrowings

	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Due in One Year	-	-	-	27,162	27,162	27,162
Due Beyond One Year	-	-	-	120,582	153,036	153,036
	-	-	-	147,744	180,198	180,198

The Group has borrowings at 31 December 2020 of \$147,744 (31 December 2019 \$ 180,198). This loan is from the Central Otago District Council and is secured by a mortgage over the Cromwell College Charitable Trust property. The loan had a term of 20 years from 1 February 2005 with interest currently at 5.84%. The property has a quotable value of \$3,120,000 (QV dated 1 Sep 2016).

16. Revenue Received in Advance

	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
International Student Fees	58,546	161,592	161,592	58,546	161,592	161,592
Other	91,424	84,794	84,794	91,424	84,794	84,794
	<u>149,970</u>	<u>246,386</u>	<u>246,386</u>	<u>149,970</u>	<u>246,386</u>	<u>246,386</u>

17. Provision for Cyclical Maintenance

	2020 Actual \$	School and Group 2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	167,159	167,159	182,817
Increase/ (decrease) to the Provision During the Year	11,965	-	16,360
Use of the Provision During the Year	(22,985)	-	(32,018)
Provision at the End of the Year	<u>156,139</u>	<u>167,159</u>	<u>167,159</u>
Cyclical Maintenance - Current	22,500	18,382	18,382
Cyclical Maintenance - Term	133,639	148,777	148,777
	<u>156,139</u>	<u>167,159</u>	<u>167,159</u>

18. Finance Lease Liability

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

	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	62,443	81,265	81,265	62,443	81,265	81,265
Later than One Year and no Later than Five Years	30,371	79,026	79,026	30,371	79,026	79,026
	<u>92,814</u>	<u>160,291</u>	<u>160,291</u>	<u>92,814</u>	<u>160,291</u>	<u>160,291</u>

19. Funds held in Trust

	2020 Actual \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	4,168	4,168	4,168	4,168	4,168	4,168
	<u>4,168</u>	<u>4,168</u>	<u>4,168</u>	<u>4,168</u>	<u>4,168</u>	<u>4,168</u>

These funds relate to arrangements where the school is acting as agent and therefore these are not included in the Consolidated Statement of Comprehensive Revenue and Expense.

20. Funds Held for Capital Works Projects

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

School and GROUP

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Boiler replacement	In Progress	408,383	-	(449,552)	-	(41,169)
Classroom Prototyping	In Progress	157,190	15,460	(165,159)	-	7,491
SIP auditorium	In Progress	-	-	(5,650)	-	(5,650)
Quentin Hayes project	In Progress	-	38,480	(25,228)	-	13,252
SIP court resurface	In Progress	-	162,002	(98,684)	61	63,379
CCTV Security Upgrade	In Progress	-	32,879	(34,218)	-	(1,339)
Irrigation upgrade	In Progress	-	14,454	(15,791)	-	(1,337)
Lighting & Access	In Progress	-	-	(3,482)	-	(3,482)
Gym/Aud Lighting & Ventilation	In Progress	-	198,551	(124,814)	-	73,737
Totals		<u>565,573</u>	<u>461,826</u>	<u>(922,578)</u>	<u>61</u>	<u>104,882</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	157,859
Funds Due from the Ministry of Education	(52,977)
	<u>104,882</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
B Block refurbishment	Completed	53,922	72,551	(126,473)	-	-
Science Lab upgrade	Completed	(37,156)	38,864	(1,708)	-	-
Boiler replacement	In Progress	(28,404)	1,081,910	(645,123)	-	408,383
Boiler bunker door	Completed	3,729	-	(3,729)	-	-
Water damage	Completed	366	-	(366)	-	-
Classroom Prototyping	In Progress	-	157,190	-	-	157,190
Air Conditioning	Completed	-	16,648	(16,648)	-	-
Lighting and access	Completed	-	15,842	(16,816)	974	-
Totals		<u>(7,543)</u>	<u>1,383,005</u>	<u>(810,863)</u>	<u>974</u>	<u>565,573</u>

21. Funds for RTLB Services

Cromwell College is the lead school funded by the Ministry of Education to provide the services of Resource Teachers of Learning and Behaviour to its cluster of schools.

School and GROUP	2020	2020	2019
	Actual \$	Budget (Unaudited) \$	Actual \$
Funds held at beginning of the year	2,937	2,937	37,277
<i>Revenue</i>			
Teachers' Salary Grant	1,095,271	-	1,073,961
Administration Grant	34,716	-	36,453
Learning Support Funding	66,729	-	66,729
Travel Grant	66,018	-	67,127
Other Revenue	-	-	58
	1,262,734	-	1,244,328
Total funds available	1,265,671	2,937	1,281,605
<i>Expenses</i>			
Employee Benefit - Salaries	1,129,637	-	1,129,137
Administration	28,782	-	44,237
Learning Support	15,805	-	17,341
Year 11-13	-	-	-
Travel	54,332	-	60,431
Other Expenses	16,411	-	27,522
	1,244,967	-	1,278,668
Purchase of Assets	-	-	-
Funds Held at Year End	20,704	2,937	2,937

22. Funds Held on Behalf of RTLit Cluster

Cromwell College is the lead school and holds funds on behalf of the RTLit cluster, a group of schools funded by the Ministry.

School and GROUP	2020	2020	2019
	Actual \$	Budget (Unaudited) \$	Actual \$
Funds Held at Beginning of the Year	30,275	30,275	24,958
Funds Received from MoE	16,569	-	18,660
Total funds received	46,844	30,275	43,618
Funds Spent on Behalf of the Cluster	24,281	-	13,343
Funds Held at Year End	22,563	30,275	30,275

23. Funds Held on Behalf of Alt Ed Consort Cluster

Cromwell College is the lead school and holds funds on behalf of the Alt Ed Consort cluster, a group of schools funded by the Ministry.

School and GROUP	2020	2020	2019
	Actual \$	Budget (Unaudited) \$	Actual \$
Funds Held at Beginning of the Year	13,795	13,795	23,888
Funds Received from MoE	126,393	-	114,063
Total funds received	140,188	13,795	137,951
Funds Spent on Behalf of the Cluster	94,456	-	124,156
Funds Held at Year End	45,732	13,795	13,795

24. Funds Held on Behalf of Central Otago Youth Employment Cluster

Cromwell College is the lead school and holds funds on behalf of the Central Otago Youth Employment cluster, a group of schools funded by the Central Lakes Trust.

School and GROUP	2020	2020	2019
	Actual \$	Budget (Unaudited) \$	Actual \$
Funds Held at Beginning of the Year	11,428	11,428	13,393
Funds Received from Cluster Members	110,700	-	58,254
Total funds received	122,128	11,428	71,647
Funds Spent on Behalf of the Cluster	93,570	-	60,219
Funds Held at Year End	28,558	11,428	11,428

25. Related Party Transactions

The Group is a controlled entity of the Crown, and the Crown provides the major source of revenue to the Group. The Group 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 Group 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 Group 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.

26. Remuneration

Key management personnel compensation (School and Group)

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

	2020 Actual \$	2019 Actual \$
<i>Board Members - School</i>		
Remuneration	3,572	3,205
Full-time equivalent members	0.20	0.20
<i>Leadership Team</i>		
Remuneration	830,302	543,827
Full-time equivalent members	7.00	5.00
Total key management personnel remuneration	833,874	547,032
Total full-time equivalent personnel	7.20	5.20

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:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160 - 170	150 - 160
Benefits and Other Emoluments	20 - 30	20 - 30
Termination Benefits	0 - 0	0 - 0

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	6.00	3.00
110 - 120	3.00	1.00
	9.00	4.00

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

27. 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:

School and GROUP	2020 Actual	2019 Actual
Total	-	-
Number of People	-	-

28. 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.

29. Commitments

(a) Capital Commitments

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

- \$1.2m contract to replace the coal fired boiler with a wood chip boiler was planned to be completed in 2020, which will be fully funded by the Ministry of Education. \$1,066,373 has been received of which \$1,107,543 has been spent on the project to date; and
- \$174,656 contract for classroom prototyping as agent for the Ministry of Education. The project is fully funded by the Ministry and \$172,650 has been received of which \$165,159 has been spent on the project to balance date; and
- \$39,200 contract to upgrade various areas of the college as agent for the Ministry of Education. This project is fully funded by the Ministry and \$38,480 has been received of which \$25,228 has been spent on the project to balance date; and
- \$180,000 contract to resurface courts as agent for the Ministry of Education. The project is fully funded by the Ministry and \$162,002 has been received of which \$98,684 has been spent on the project to balance date; and
- \$221,000 contract to upgrade lighting and ventilation as agent for the Ministry of Education. The project is fully funded by the Ministry and \$198,551 has been received of which \$124,814 has been spent on the project to balance date.

(Capital commitments at 31 December 2019: \$nil)

(b) Operating Commitments School and GROUP

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

- operating lease of IT equipment and leases on five vehicles:

	2020 Actual \$	2019 Actual \$
No later than One Year	7,993	8,494
Later than One Year and No Later than Five Years	-	7,993
	7,993	16,487

30. Managing Capital

The Group'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 Group 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.

Breakdown of equity and further information

	Actual 2020 \$	School Budget (Unaudited) 2020 \$	Actual 2019 \$	Actual 2020 \$	Group Budget (Unaudited) 2020 \$	Actual 2019 \$
Accumulated surplus/(deficit)						
Balance at 1 January	1,141,916	1,141,916	1,004,959	2,237,619	2,237,619	2,048,168
Furniture & Equipment grant	-	-	33,256	-	-	33,256
Surplus/(deficit) for the year	87,182	(73,238)	103,701	98,246	(57,254)	156,195
Balance 31 December	1,229,098	1,068,678	1,141,916	2,335,865	2,180,365	2,237,619
Total equity	1,229,098	1,068,678	1,141,916	2,335,865	2,180,365	2,237,619

31. 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 \$	School 2020 Budget (Unaudited) \$	2019 Actual \$	2020 Actual \$	Group 2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	593,928	826,586	799,824	676,401	945,008	862,262
Receivables	394,415	560,538	560,538	395,341	561,764	561,764
Investments - Term Deposits	199,299	192,534	192,534	281,122	271,944	271,944
Total Financial Assets Measured at Amortised Cost	1,187,642	1,579,658	1,552,896	1,352,864	1,778,716	1,695,970

Financial liabilities measured at amortised cost

Payables	480,580	425,140	425,140	491,701	430,334	430,334
Borrowings - Loans	-	-	-	147,744	180,198	180,198
Finance Leases	90,461	156,844	156,844	90,461	156,844	156,844
Total Financial Liabilities Measured at Amortised Cost	571,041	581,984	581,984	729,906	767,376	767,376

32. Investment in Subsidiaries

Details of the Group's material subsidiaries at the end of the reporting period are as follows.

Name of Subsidiary	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Value of investment \$000	
			2020	2019	2020	2019
Cromwell College Charitable Trust	Supporting education	Cromwell, New Zealand	100%	100%	1,107.00	1,096.00

All subsidiaries have 31 December balance dates, are 100% owned by the School, and are incorporated and domiciled in New Zealand.

The School controls the Trust for financial reporting purposes because, in substance, the ISchool predetermined the objectives of the Trust at establishment and benefits from the Trust's complementary activities.

The Trust is a registered charity. Under its constitution, the trust is prohibited from paying dividends (or similar distributions) to the School.

Cromwell College Charitable Trust

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
Revenue			
Rent received from Cromwell College	61,667	61,667	74,000
Bunkroom receipts	97,502	118,000	115,819
Donations	500	-	-
Interest received	2,113	2,500	2,826
	<u>161,782</u>	<u>182,167</u>	<u>192,645</u>
Expenditure			
Loan interest	9,663	9,663	11,499
Administration	1,578	1,520	1,285
Insurance	25,387	25,000	24,397
Rates	10,463	11,000	10,210
Grants to Cromwell College	40,000	40,000	40,000
Repairs and maintenance	18,512	39,000	12,652
Depreciation	45,114	40,000	40,108
	<u>150,717</u>	<u>166,183</u>	<u>140,151</u>
Net Surplus	<u>11,065</u>	<u>15,984</u>	<u>52,494</u>
Current Assets			
Cash and equivalents	82,473	78,422	62,438
Investments (Short term bank deposits)	81,823	79,410	79,410
Income accrued	926	1,226	1,226
Prepayments	17,267	17,248	17,248
	<u>182,489</u>	<u>176,306</u>	<u>160,322</u>
Current Liabilities			
Accounts payable	10,058	4,164	4,164
Accrued expenses	1,061	1,030	1,030
Term loan - current portion	27,162	27,162	27,162
GST Payable	2,069	4,010	4,010
	<u>40,350</u>	<u>36,366</u>	<u>36,366</u>
Working Capital	<u>142,139</u>	<u>139,940</u>	<u>123,956</u>
Non Current Assets			
Fixed Assets - Land, Buildings and Work in Progress			
Opening balance	1,124,783	1,124,783	1,108,938
Add current year additions	5,542	-	55,953
Less depreciation	(45,115)	-	(40,108)
Closing balance	<u>1,085,210</u>	<u>1,124,783</u>	<u>1,124,783</u>
Non Current Liabilities			
Loans			
Opening balance	153,036	153,036	210,816
Less repayments	(5,292)	-	(30,618)
Less current portion	(27,162)	-	(27,162)
	<u>120,582</u>	<u>153,036</u>	<u>153,036</u>
Net Assets	<u>1,106,767</u>	<u>1,111,687</u>	<u>1,095,703</u>

33. Events After Balance Date

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

34. Comparatives

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