



# PALMERSTON NORTH BOYS' HIGH SCHOOL

## ANNUAL REPORT FOR THE YEAR ENDED 31 December 2020

### School Directory

Ministry Number: 202  
Rector: David M Bovey  
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School Postal Address: PO Box 4049, Palmerston North 4442  
School Phone: 06 354-5176  
School Email: [admin@pnbhs.school.nz](mailto:admin@pnbhs.school.nz)



### Members of the Board of Trustees

<u>Name</u>	<u>Position Held</u>	<u>How Position Gained</u>	<u>Term Expired/Expires</u>
Michael Lawrence	Chairman	Re-elected May 2019	May 2022
David Bovey	Rector	Appointed October 2012	
Grant Watts	Parent Rep	Re-elected May 2019	May 2022
Simon O'Connor	Parent Rep	Re-elected May 2019	May 2022
Craig Purdy	Parent Rep	Elected May 2019	May 2022
Brendon Ross	Parent Rep	Elected May 2019	May 2022
Jodi Jamieson	Parent Rep	Co-opted August 2020	May 2022
Jack Siebert	Staff Rep	Re-elected May 2019	May 2022
John Hopcroft	Student Rep	Elected September 2020	December 2021
Ollie Gillespie	Student Rep	Elected November 2019	Resigned October 2020

Auditor BDO Central (NI)

# **PALMERSTON NORTH BOYS' HIGH SCHOOL**

Annual Report - For the year ended 31 December 2020

## **Index**

<b>Page</b>	<b>Statement</b>
	<b>Financial Statements</b>
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expenses
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6	Statement of Accounting Policies
15	Notes to the Financial Statements
	<b>Other Information</b>
30	Report from the Rector
42	Analysis of Variance
50	Kiwisport
51	Statement of Human Resources
52	Statement of Physical Resources
	Auditors Report

# PALMERSTON NORTH BOYS' HIGH SCHOOL

## Statement of Responsibility

For the year ended 31 December 2020

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

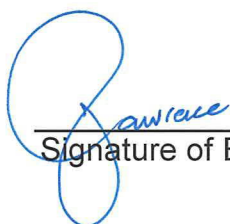
The management (including the rector and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

MICHAEL GORDON LAWRENCE

Full Name of Board Chairperson



Signature of Board Chairperson

31st MAY 2021

Date:

Gerard Martin Atkin

Full Name of Acting Rector



Signature of Acting Rector

31/05/2021

Date:

# PALMERSTON NORTH BOYS' HIGH SCHOOL

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

		2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
	Notes			
<b>Revenue</b>				
Government Grants	2	15,944,301	15,228,037	14,678,964
Locally Raised Funds	3	2,621,751	3,548,172	2,825,364
Interest Income		92,674	115,000	141,801
Gain on Sale of Property, Plant and Equipment		172,644	-	200
Hostel	4	1,920,227	2,337,818	2,298,622
International Students	5	762,026	1,035,090	941,790
		<u>21,513,622</u>	<u>22,264,117</u>	<u>20,886,741</u>
<b>Expenses</b>				
Locally Raised Funds	3	1,330,604	2,190,306	1,413,733
Hostel	4	1,869,886	1,794,635	1,832,307
International Students	5	473,694	632,826	569,836
Learning Resources	6	12,403,139	12,322,810	11,811,686
Administration	7	1,786,820	1,887,081	1,893,251
Finance Costs	8	30,000	30,000	30,000
Property	9	2,991,305	2,993,880	3,002,937
Depreciation	10	499,334	497,004	531,222
Loss on Disposal of Assets		13,404	-	-
Loss on Uncollectable Accounts Receivable		14,582	30,000	120
		<u>21,412,768</u>	<u>22,378,542</u>	<u>21,085,091</u>
<b>Net Surplus / (Deficit) for the year</b>		100,854	(114,425)	(198,350)
Increase in Asset Revaluation Reserve		300	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>\$ 101,154</u>	<u>\$ (114,425)</u>	<u>\$ (198,350)</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.





# PALMERSTON NORTH BOYS' HIGH SCHOOL

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

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
<b>Balance at 1 January</b>	12,609,301	12,700,000	12,806,785
Total comprehensive revenue and expenses for the year	101,154	(114,425)	(198,350)
Capital Contributions from the Ministry of Education - Furniture and Equipment Grant	47,779	-	865
<b>Equity at 31 December</b>	<b>\$ 12,758,235</b>	<b>\$ 12,585,575</b>	<b>\$ 12,609,301</b>
Retained Earnings	11,217,099	12,585,575	11,079,963
Reserves	1,541,136	-	1,529,338
<b>Equity at 31 December 2020</b>	<b>\$ 12,758,235</b>	<b>\$ 12,585,575</b>	<b>\$ 12,609,301</b>
<b>Reserved Funds within Equity</b>			
Reserved equity comprises funds that have been received by the School for specific purposes. The School guarantees to hold sufficient monies to enable the funds to be used for their intended purpose at any time. These funds arose from fundraising for extra-curricular activities, the art fund, the quad redevelopment and the hockey turf project.			
Balance at 1 January	284,051	-	295,648
Extra-Curricular Activities	11,498	-	(11,597)
Closing Balance	\$ 295,549	\$ -	\$ 284,051
Net Movement in Reserved Funds	11,498	-	(11,597)
<b>Asset Revaluation Reserve within Equity</b>			
Balance at 1 January	1,245,287	-	1,245,287
Artwork Revaluation	300	-	-
Closing Balance	\$ 1,245,587	\$ -	\$ 1,245,287
Net Movement in Asset Revaluation Reserve	300	-	-

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.



# PALMERSTON NORTH BOYS' HIGH SCHOOL

## Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	11	216,482	400,490	300,087
Accounts Receivable	12	938,011	905,000	1,191,040
GST Receivable		110,615	90,000	81,264
Funds owed for Capital Works Projects	21	109,722	-	-
Prepayments		325,102	225,000	404,370
Inventories	13	439,836	431,000	415,894
Investments	14	3,654,463	4,200,000	4,500,000
Assets Held for Sale	29	-	-	243,435
		5,794,231	6,251,490	7,136,090
<b>CURRENT LIABILITIES</b>				
Accounts Payable	16	1,288,243	1,634,724	1,171,955
Borrowings - Due in one year	17	400,000	400,000	-
Revenue Received in Advance	18	1,126,812	1,400,000	1,238,680
Provision for Cyclical Maintenance	19	244,795	250,000	577,003
Funds held in Trust	20	386,474	200,000	1,217,516
Funds held for Capital Works Projects	21	-	-	393,880
Boarding Bonds		-	10,000	500
		3,446,324	3,894,724	4,599,534
<b>WORKING CAPITAL SURPLUS/(DEFICIT)</b>		2,347,908	2,356,766	2,536,556
<b>NON-CURRENT ASSETS</b>				
Property, Plant and Equipment	15	10,908,518	10,903,809	10,826,777
		10,908,518	10,903,809	10,826,777
<b>NON-CURRENT LIABILITIES</b>				
Borrowings - Due beyond one year	17	-	-	400,000
Provision for Cyclical Maintenance	19	352,862	550,000	218,906
Provision for Long Service & Retirement Leave		58,329	50,000	51,633
Boarding Bonds		87,000	75,000	83,493
		498,191	675,000	754,032
<b>NET ASSETS</b>		\$ 12,758,235	\$ 12,585,575	\$ 12,609,301
<b>EQUITY</b>		\$ 12,758,235	\$ 12,585,575	\$ 12,609,301

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



# PALMERSTON NORTH BOYS' HIGH SCHOOL

## Cash Flow Statement

As at 31 December 2020

	Note	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Government Grants		4,471,890	3,774,037	3,861,031
Locally Raised Funds		2,759,468	3,576,158	3,292,268
Hostel		1,970,370	2,367,992	2,288,770
International Students		629,637	1,421,969	1,400,721
Goods and Services Tax (net)		(29,351)	(8,736)	49,329
Interest Received		146,069	141,801	126,340
Payments to Employees		(4,381,170)	(4,430,445)	(4,296,652)
Cyclical Maintenance Payments in the year		(203,191)	-	(40,520)
Payments to Suppliers		(4,734,737)	(6,833,889)	(6,797,240)
Interest Paid		(30,000)	(60,000)	(30,000)
Net cash from/(to) the Operating Activities		598,985	(51,113)	(145,953)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from Sale of PPE		415,684	280,000	200
Purchase of Investments		-	(300,000)	(250,000)
Purchase of PPE		(888,050)	(846,000)	(466,346)
Proceeds from sale of Investments		845,537	-	-
Net cash from/(to) the Investing Activities		373,171	(866,000)	(716,146)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Furniture and Equipment Grant		47,779	-	865
Funds administered on Behalf of Third Parties		(831,042)	1,017,516	73,462
Funds administered on Behalf of Capital Works		(272,498)	-	762,564
Net Cash from/(to) Financing Activities		(1,055,761)	1,017,516	836,891
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		(83,605)	100,403	(25,208)
<b>Cash and cash equivalents at the beginning of the year</b>		300,087	300,087	325,295
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	11	\$ 216,482	\$ 400,490	\$ 300,087

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

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





# PALMERSTON NORTH BOYS' HIGH SCHOOL

## Notes to the Financial Statements

As at 31 December 2020

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### 1. Statement of Accounting Policies

#### a) Reporting entity

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

#### b) Basis of Preparation

##### ***Reporting Period***

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

##### ***Basis of Preparation***

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

##### ***Financial reporting standards applied***

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

##### ***PBE Accounting Standards Reduced Disclosure Regime***

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

**Measurement base**

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

**Presentation currency**

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

**Specific accounting policies**

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

**Critical Accounting Estimates and Assumptions**

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

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

**Cyclical Maintenance**

The 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 19.

**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 15.

**Determination of Fair Values**

The School recognises donated assets and artwork at fair value. The estimated fair value is based on market observable inputs and data as far as possible. Detailed information in relation to the fair value measurement of donated assets and artwork is disclosed in note 15.

**Critical Judgements in applying accounting policies**

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



### *Classification of Leases*

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

### *Recognition of grants*

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

## **c) Revenue Recognition**

### ***Government Grants***

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

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

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

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

### ***Other Grants***

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

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

### ***Donations, Gifts and Bequests***

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

### ***Interest Revenue***

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

### **d) Use of Land and Buildings Expense**

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant received 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 (uncollected debts). The school 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, for example stationery and school uniform. 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 the 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 any impairment losses.

Property, plant and equipment, with the exception of artwork, 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. The gain or loss arising from the disposal of an item of property, plant and equipment, with the exception of artwork, are recognised in surplus or deficit.

Artworks are recorded at fair value, with valuations performed by an independent art expert every three years, to ensure that the fair value of artwork does not differ materially from its carrying amount.

Gains and losses on revaluation are recognised in other comprehensive revenue and expense and presented in the asset revaluation reserve within net assets/equity. Upon disposal of art any associated gain or losses on revaluation to that item are transferred from the revaluation reserve to retained earnings.



### ***Finance Leases***

A finance lease transfers to the lessee substantially all the risk 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 as 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 land, library resources and artworks are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Land and artworks are not depreciated. Depreciation of all assets is reported in surplus or deficit in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives/depreciation rates of the assets are:

Leasehold Improvements	10 - 75 years
Buildings - School	10 - 75 years
Leasehold improvements - Crown	10 - 75 years
Furniture and Fittings	10 - 15 years
Plant and Machinery	10 years
Information & Communication technology	4 - 5 years
Motor Vehicles	5 years
Textbooks	3 years
Musical Instruments	10 years
Sports Equipment	5 years
Other Minor Equipment	10 years
Library Resources	12.5% Diminishing value
Alternative Education	5 - 10 years
MCHS Assets	5 - 50 years
Truancy Assets	5 - 10 years

## **m) Impairment of property, plant and equipment**

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

### *Non cash generating assets*

Property, plant and equipment 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 represent 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**

### ***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 accrual 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 international, hostel 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 service to which they relate.

**q) Funds Held in Trust**

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

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

**r) Provision for Cyclical Maintenance**

The property from which the School operates is owned by the Crown, and is vested in the Ministry (with the exception of rooms P5, 6 & 7, PE Lab, F3, the Aquatic Sports Centre, 50% of the Speirs Centre, the Tennis Pavilion, Murray House, the 105 North Street property, the 109 North Street property, the 47 North Street property and College House, which are owned by the Board). 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 the day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

**s) Financial Instruments**

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

The School's financial liabilities comprise accounts payable and borrowings. All of these financial liabilities are categorised as 'financial liabilities measured as 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 finance leases and term loans.

**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 statement 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.

# PALMERSTON NORTH BOYS' HIGH SCHOOL

## Notes to the Financial Statements

As at 31 December 2020

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>2 Government Grants</b>			
Teachers' Salaries Grants	9,476,087	9,300,000	8,943,137
Operational Grants	3,418,257	3,312,065	3,177,623
Other MoE Grants	313,933	24,000	24,761
Alternative Education Grant	502,495	424,524	409,966
Use of Land and Buildings Grants	1,925,393	1,900,000	1,874,658
Manawatu Community High School Grant	192,303	166,396	151,969
Truancy Service Grant	115,834	101,052	96,851
	<u>\$ 15,944,301</u>	<u>\$ 15,228,037</u>	<u>\$ 14,678,964</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$269,290 for the year ended 31 December 2020.

The School is not eligible to opt into the donation scheme.

### 3 Locally Raised Funds

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

#### Revenue

Donations	715,268	772,000	803,655
Activities	862,459	1,286,300	1,241,693
Overseas Travel	560,643	978,732	263,839
Canteen	14,484	17,040	17,040
Trading	332,866	375,000	373,758
House rentals	29,189	27,600	29,561
Community Pool and Gym	70,868	81,000	78,368
McCarthy Trust	10,300	-	10,900
Bequests & Grants	25,675	10,500	6,551
	<u>\$ 2,621,751</u>	<u>\$ 3,548,172</u>	<u>\$ 2,825,364</u>

#### Expenses

Activities	457,708	830,150	766,769
Overseas Travel	560,643	978,732	263,838
Trading	281,988	334,020	334,653
House rentals	30,264	47,404	48,471
	<u>\$ 1,330,604</u>	<u>\$ 2,190,306</u>	<u>\$ 1,413,733</u>

Surplus for the Year Locally Raised Funds	<u>\$ 1,291,147</u>	<u>\$ 1,357,866</u>	<u>1,411,632</u>
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# **PALMERSTON NORTH BOYS' HIGH SCHOOL**

## **Notes to the Financial Statements**

**As at 31 December 2020**

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### **3 Locally Raised Funds (continued)**

Due to the worldwide COVID-19 pandemic and border restrictions, no overseas travel occurred in the 2020 year.

The following Overseas Travel occurred in the 2019 year.

A group of 20 students and 3 staff (being Mrs A Dickinson, Mrs C Belton and Mr C Malicki) travelled to Germany on a language and cultural tour. They visited sites of historic significance and schools. They also experienced the German culture and language while being billeted with German families.

The trip was fully funded by the students. Total trip spend was \$163,889

A group of 21 students and 2 staff (being Mr J Strickland and Mrs A Ruwhiu) travelled to Thailand on a cultural tour. They visited schools and took part in many cultural festivities while performing in front of the large crowds. They also visited many of the historical sites around Thailand learning about the country and it's history.

The trip was fully funded by the students. Total trip spend was \$96,444

A group of 17 students and 2 staff (being Mrs H Dearlove and Mr N Lauridsen) travelled to Australia as part of the Stage Band, and participated in a number of performances and shows. This was a great experience being able to perform with top musicians from all over Australia.

This trip was fully funded by the students. Total trip spend was \$68,342

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>4 Hostel Revenue and Expenses</b>			
<b>Hostel Financial Performance</b>			
Hostel Full Boarders	168	173	172
Hostel Weekly Boarders	-	-	-
<b>Revenue</b>			
Hostel Fees	1,741,139	1,996,518	1,969,269
Sundry Income	75,234	87,700	81,415
Registration Fees	18,000	13,600	15,900
Letting	85,854	240,000	232,038
	<u>1,920,227</u>	<u>2,337,818</u>	<u>2,298,622</u>
<b>Expenses</b>			
Kitchen	410,986	406,600	430,032
Laundry	22,616	23,000	29,256
Welfare	175,259	119,756	130,356
Supervision	3,218	7,200	5,865
Administration	212,216	219,530	202,458
Property	343,987	289,200	323,152
Employee Benefits - Salaries	684,042	677,099	662,116
Letting	17,562	52,250	49,071
	<u>1,869,886</u>	<u>1,794,635</u>	<u>1,832,307</u>
<b>Surplus for the year Hostel</b>	<u>\$ 50,341</u>	<u>\$ 543,183</u>	<u>\$ 466,316</u>

**5 International Student Revenue and Expenses**

International Student Roll	54	60	59
<b>Revenue</b>			
International Student Fees	762,026	1,035,090	941,790
<b>Expenses</b>			
Advertising	39,253	121,500	123,732
Commissions	118,686	138,570	95,809
International Student Levy	16,050	26,598	26,790
ESOL costs	1,228	2,500	1,421
Administration	32,230	57,340	49,382
Class Materials	20,665	45,000	39,089
Employee Benefits - Salaries	245,582	241,318	233,613
Total Expenditure	<u>473,694</u>	<u>632,826</u>	<u>569,836</u>
<b>Surplus for the year International Students'</b>	<u>\$ 288,332</u>	<u>\$ 402,264</u>	<u>\$ 371,954</u>



	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>6 Learning Resources</b>			
Curricular	274,124	428,946	375,456
Teaching Resources	489,668	602,650	603,297
Alternative Education	337,544	242,322	211,163
Manawatu Community High School	14,095	19,650	23,825
Library Resources	5,384	5,500	6,755
Employee Benefits - Salaries	11,282,323	11,023,742	10,591,189
	<u>\$ 12,403,139</u>	<u>\$ 12,322,810</u>	<u>\$ 11,811,686</u>

Overseas travel of \$Nil was undertaken by Senior staff for Professional Development.  
(2019: \$12,416)

<b>7 Administration</b>			
Audit Fee	9,986	11,500	9,436
Board of Trustees Fees	5,390	7,800	7,290
Board of Trustees Expenses	6,855	12,300	21,527
Communication	21,259	25,000	29,198
Consumables	39,217	45,150	44,425
Operating Lease	18,969	16,400	16,944
Legal Fees	10,839	10,000	6,014
Other	200,339	245,930	264,174
Employee Benefits - Salaries	1,286,478	1,312,650	1,276,639
Insurance	79,891	79,788	72,667
Service Providers, Contractors and Consultancy	64,632	77,000	104,945
Manawatu Community High School	22,621	21,426	18,984
Truancy Service	20,344	22,137	21,010
	<u>\$ 1,786,820</u>	<u>\$ 1,887,081</u>	<u>\$ 1,893,251</u>

Overseas travel of \$Nil was undertaken by the Rector for Professional Development.  
(2019: \$4,541)

<b>8 Finance</b>			
Interest Paid	\$ 30,000	\$ 30,000	\$ 30,000

<b>9 Property</b>			
Caretaking & Cleaning Consumables	30,829	24,500	39,026
Cyclical Maintenance Expense	4,938	120,000	98,270
Grounds	17,908	21,300	47,537
Heat, Light and Water	219,204	228,000	228,456
Repairs & Maintenance	190,466	141,600	184,147
Use of Land and Buildings	1,925,393	1,900,000	1,874,658
Manawatu Community High School	89,369	79,700	68,532
Employee Benefits - Salaries	513,198	478,780	462,312
	<u>\$ 2,991,305</u>	<u>\$ 2,993,880</u>	<u>\$ 3,002,937</u>

The use of land and buildings figure represents 8% of the school's MOE owned property value. This is used as a 'proxy' for the market rental of the property. 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.

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>10 Depreciation of Property, Plant and Equipment</b>			
Leasehold Improvements	21,895	19,440	20,680
Furniture and Fittings	40,247	39,000	40,195
Plant and Machinery	43,433	40,200	40,392
Information and Communication Technology	89,261	93,000	102,430
Motor Vehicles	3,077	9,060	9,035
Sports Equipment	7,168	7,440	2,563
Textbooks	51,278	40,800	45,742
Library Resources	5,793	8,340	29,445
Minor Equipment	2,312	2,316	2,325
Musical Instruments	8,473	8,640	8,811
Buildings	222,741	226,200	225,276
Manawatu Community High School	3,656	1,656	4,327
Truancy Service	-	912	-
	<u>499,334</u>	<u>497,004</u>	<u>531,222</u>
Represented By:			
School	323,218	323,028	360,456
Hostel	176,117	173,976	170,766
	<u>\$ 499,334</u>	<u>\$ 497,004</u>	<u>\$ 531,222</u>
<b>11 Cash and Cash Equivalents</b>			
Cash on Hand	490	490	490
Bank Current Account	72,124	100,000	295,059
Short-term Bank Deposits	143,868	300,000	4,538
	<u></u>	<u></u>	<u></u>
Cash and cash equivalents for Statement of Cash Flows	<u>\$ 216,482</u>	<u>\$ 400,490</u>	<u>\$ 300,087</u>

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

Of the \$216,483 Cash and Cash Equivalents, no funds are held by the School on behalf of the Ministry of Education.

(2019: \$398,118 - includes funds held as Investments)

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>12 Accounts Receivable</b>			
Receivables	171,814	145,000	266,736
Receivables from the Ministry of Education	24,102	-	254,000
Allowance for uncollectable outstanding receivable balances	(51,945)	(45,000)	(41,169)
Sundry Receivables	41,531	60,000	88,667
Teachers Salaries Grant Receivable	752,509	745,000	622,807
	<u>\$ 938,011</u>	<u>\$ 905,000</u>	<u>\$ 1,191,040</u>
Receivables from Exchange Transactions	161,399	160,000	314,234
Receivables from Non-Exchange Transactions	776,611	745,000	876,807
	<u>\$ 938,011</u>	<u>\$ 905,000</u>	<u>\$ 1,191,040</u>

### 13 Inventories

School Blazers	14,471	14,000	14,471
School Uniforms	425,365	417,000	401,423
	<u>\$ 439,836</u>	<u>\$ 431,000</u>	<u>\$ 415,894</u>

### 14 Investments

The School's investment activities are classified as follows:-

Current Assets			
Short-term Bank Deposits	\$ 3,654,463	\$ 4,200,000	\$ 4,500,000
	<u></u>	<u></u>	<u></u>

## 15 Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions & Revaluations \$	Disposals or Reclassification \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2020</b>						
Land	1,330,160				-	1,330,160
Buildings	7,108,061	252,506			(222,741)	7,137,826
Leasehold Improvements	417,153	39,463			(21,895)	434,721
Plant and Machinery	176,463	102,515			(43,433)	235,545
Furniture and Fittings	155,940	42,603			(40,247)	158,296
Information and Communication Technology	252,974	57,583			(89,261)	221,296
Motor Vehicles	22,884	1,565	(6,200)		(3,077)	15,172
Sports Equipment	32,651	3,539			(7,168)	29,022
Minor Equipment	2,783				(2,312)	471
Musical Instruments	46,429				(8,473)	37,956
Textbooks	65,280	24,866			(51,278)	38,868
Library Resources	40,852	12,687	(13,404)		(5,793)	34,343
Artworks	1,088,950	300			-	1,089,250
Work in Progress	55,514	343,385	(287,376)		-	111,523
Alternative Education	-				-	-
Manawatu Community High School	30,685	7,038			(3,656)	34,067
<b>Balance at 31 December 2020</b>	<b>\$ 10,826,777</b>	<b>\$ 888,051</b>	<b>\$ (306,980)</b>	<b>\$ -</b>	<b>\$ (499,334)</b>	<b>\$ 10,908,516</b>

	Cost or Valuation \$	Accumulated Depreciation & Impairment \$	Net Book Value \$
<b>2020</b>			
Land	1,330,160	-	1,330,160
Buildings	10,072,022	(2,934,197)	7,137,826
Leasehold Improvements	602,508	(167,788)	434,721
Plant and Machinery	1,318,383	(1,082,838)	235,545
Furniture and Fittings	2,067,801	(1,909,505)	158,296
Information and Communication Technology	3,605,869	(3,384,574)	221,295
Motor Vehicles	201,443	(186,271)	15,172
Sports Equipment	619,762	(590,740)	29,022
Minor Equipment	156,469	(155,998)	471
Musical Instruments	496,218	(458,262)	37,956
Textbooks	260,536	(221,668)	38,868
Library Resources	266,215	(231,872)	34,343
Artworks	1,089,250	-	1,089,250
Work in Progress	111,523	-	111,523
Alternative Education	25,754	(25,754)	-
Manawatu Community High School	101,071	(67,004)	34,067
Truancy Service	14,883	(14,883)	-
<b>Balance at 31 December 2020</b>	<b>\$ 22,339,869</b>	<b>\$ (11,431,354)</b>	<b>\$ 10,908,516</b>

Artwork was revalued in November 2020 by an independent valuer (Dunbar Sloane). In estimating the fair value of artwork, the insurance valuation method was used, which incorporated the use of the following significant assumptions:

- Insurance replacement cost



# 15 Property, Plant and Equipment

	Opening Balance (NBV)	Additions & Revaluations	Disposals or Reclassification	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Land	1,330,160				-	1,330,160
Buildings	7,131,976		201,361		(225,276)	7,108,061
Leasehold Improvements	286,953		150,880		(20,680)	417,154
Plant and Machinery	161,693	55,162			(40,392)	176,463
Furniture and Fittings	170,593	25,542			(40,195)	155,940
Information and Communication Technology	197,067	158,336			(102,430)	252,973
Motor Vehicles	29,919	2,000			(9,035)	22,883
Sports Equipment	-	35,214			(2,563)	32,651
Minor Equipment	5,109				(2,325)	2,784
Musical Instruments	53,440	1,800			(8,811)	46,429
Textbooks	68,983	42,039			(45,742)	65,280
Library Resources	58,466	11,830			(29,445)	40,851
Artworks	1,088,950				-	1,088,950
Work in Progress	217,542	190,213	(352,241)		-	55,514
Manawatu Community High School	-				(4,327)	(4,327)
Truancy Service	35,012				-	35,011
<b>Balance at 31 December 2019</b>	<b>\$ 10,835,863</b>	<b>\$ 522,136</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (531,223)</b>	<b>\$ 10,826,777</b>

	Cost or Valuation	Accumulated Depreciation & Impairment	Net Book Value
2019	\$	\$	\$
Land	1,330,160	-	1,330,160
Buildings	10,115,638	(3,007,577)	7,108,061
Leasehold Improvements	563,046	(145,893)	417,153
Plant and Machinery	1,215,867	(1,039,405)	176,462
Furniture and Fittings	2,025,198	(1,869,258)	155,940
Information and Communication Technology	3,548,286	(3,295,313)	252,973
Motor Vehicles	206,078	(183,194)	22,884
Sports Equipment	616,223	(583,572)	32,651
Minor Equipment	156,469	(153,686)	2,783
Musical Instruments	496,218	(449,790)	46,429
Textbooks	235,670	(170,390)	65,280
Library Resources	266,932	(226,080)	40,852
Artworks	1,088,950	-	1,088,950
Work in Progress	55,514	-	55,514
Alternative Education	25,754	(25,754)	-
Manawatu Community High School	94,033	(63,348)	30,685
Truancy Service	14,883	(14,883)	-
<b>Balance at 31 December 2019</b>	<b>\$ 22,054,918</b>	<b>\$ (11,228,142)</b>	<b>\$ 10,826,777</b>



	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>16 Accounts Payable</b>			
Operating Creditors	285,845	769,724	317,557
Accruals	54,505	60,000	54,176
Employee Benefits Payable - Salaries	752,509	650,000	622,806
Employee Benefits Payable - Leave Accrual	195,384	155,000	177,417
	<u>\$ 1,288,243</u>	<u>\$ 1,634,724</u>	<u>\$ 1,171,956</u>
Payables for Exchange Transactions	1,275,750	1,619,724	1,156,026
Payables for Non-exchange Transactions - Taxes payable (PAYE and Rates)	12,493	15,000	15,930
	<u>\$ 1,288,243</u>	<u>\$ 1,634,724</u>	<u>\$ 1,171,956</u>

The carrying value of payables approximates their fair value.

<b>17 Borrowings</b>			
Due in One Year	400,000	400,000	-
Due Beyond One Year	-	-	400,000
	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>

#### College House Parents Education Trust

The loan from College House Parents Education Trust for \$400,000 is secured by a registered mortgage over property situated at 105 North Street, Palmerston North. The interest rate is 7.50% (2019 7.5%) and the loan is interest only.

The interest cost of \$30,000 (2019 \$30,000) is shown in Note 8 - Finance

The loan is due for repayment 31st December 2021.

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>18 Revenue Received in Advance</b>			
International Student Fees	880,732	1,400,000	1,013,121
Student Account Credits	246,080	-	225,559
	<u>\$ 1,126,812</u>	<u>\$ 1,400,000</u>	<u>\$ 1,238,680</u>
<b>19 Provision for Cyclical Maintenance</b>			
Provision at the start of the year	795,909	795,909	743,959
Increase/(Decrease) in the provision during the year	97,489	124,091	150,220
Use of the provision during the year	(203,191)	(120,000)	(98,270)
Adjustment to the provision	(92,548)	-	-
Provision at the end of the year	<u>\$ 597,657</u>	<u>\$ 800,000</u>	<u>\$ 795,909</u>
Cyclical Maintenance - Current	244,795	250,000	577,003
Cyclical Maintenance - Term	352,862	550,000	218,906
	<u>\$ 597,657</u>	<u>\$ 800,000</u>	<u>\$ 795,909</u>
<b>20 Funds Held in Trust</b>			
Funds held on behalf of - Third Parties	156,485	200,000	196,396
Funds held on behalf of - Overseas Tour Third Parties	229,989	-	1,021,120
	<u>\$ 386,474</u>	<u>200,000</u>	<u>1,217,516</u>

## 21 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	School Expense / Asset	Closing Balances
			\$	\$	\$	\$	\$
<b>D Block Upgrade</b>	<i>in progress</i>		(3,620)	-	33,765	-	(37,385)
<b>S Block Upgrade</b>	<i>in progress</i>		190,520	1,004,362	1,237,426	-	(42,544)
<b>MCHS Security &amp; Electrical</b>	<i>completed</i>		6,536	-	6,536	-	-
Carpet C & M Block	<i>completed</i>		(618)	861	243	-	-
<b>Asbestos Roof Repairs</b>	<i>completed</i>		31,834	22,927	54,761	-	-
<b>Air Conditioning Replacement</b>	<i>completed</i>		-	8,493	8,493	-	-
<b>Sewer &amp; Stormwater</b>	<i>in progress</i>		71,995	-	83,738	-	(11,743)
<b>Structural Strengthening Gym</b>	<i>in progress</i>		97,233	-	115,283	-	(18,050)

393,880	1,036,643	1,540,245	-	(109,722)
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### Represented By:

Funds Due from the Ministry of Education

(109,722)

Funds Held on Behalf of the Ministry of Education

-

(109,722)

		2019				
MCHS Roof	<i>completed</i>	(35,605)	50,351	14,746	-	-
Electrical Upgrade	<i>completed</i>	24,935	-	24,935	-	-
Speirs Aircon upgrade	<i>completed</i>	-	25,000	76,827	51,827	-
D Block Upgrade	<i>in progress</i>	-	-	3,620	-	(3,620)
S Block Upgrade	<i>in progress</i>	-	275,960	85,440	-	190,520
MCHS Security & Electrical	<i>in progress</i>	(612)	19,800	12,652	-	6,536
Carpet C & M Block	<i>in progress</i>	(2,226)	24,341	22,733	-	(618)
Asbestos Roof Repairs	<i>in progress</i>	(7,700)	189,430	149,896	-	31,834
Sewer & Stormwater	<i>in progress</i>	(11,559)	181,942	98,388	-	71,995
Structural Strengthening Gym	<i>in progress</i>	(12,657)	204,746	94,856	-	97,233
		(45,424)	971,570	584,093	51,827	393,880

## 22 Related Party Transactions

The school is an entity controlled by 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 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.



## 23 Remuneration

### Key Management Personnel Compensation

Key management personnel of the School include all trustees of the Board, Rector, Deputy Rector, Senior Management Team and Heads of Departments.

	2020 Actual \$	2019 Actual \$
<b>Board Members</b>		
Remuneration	5,390	7,290
Full-time equivalent members	0.18	0.22
<b>Leadership Team</b>		
Remuneration	3,454,252	3,083,023
Full-time equivalent members	31.86	31
Total key management personnel remuneration	3,459,642	3,090,313
Total full-time equivalent personnel	32.04	31.22

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.

### Rector

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

	2020 Actual \$000	2019 Actual \$000
<b>Salaries and Other Short-term Employee Benefits:</b>		
Salary and Other Payments	220 - 230	210 - 220
Benefits and Other Emoluments	10 - 20	10 - 20

### 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	19.00	6.00
110 - 120	3.00	1.00
120 - 130	4.00	1.00
130 - 140	1.00	-
	27.00	8.00

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

## 24 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.

## 25 Commitments

### (a) Capital Commitments

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

- (a) \$1,400,000 to have S Block upgraded as agents for the Ministry of Education. This project is fully funded by the Ministry with \$1,280,322 being received and \$1,322,866 being spent on the project to balance date.
- (b) \$202,158 for the Sewer and Stormwater upgrade as agents for the Ministry of Education. This project is fully funded by the Ministry with funding of \$181,942 being received and \$193,685 being spent on the project to balance date.
- (c) \$227,496 to have the Gym Structurally Strengthened as agents for the Ministry of Education. This project is fully funded by the Ministry with funding of \$204,746 being received and \$222,796 being spent on the project to balance date.

(Capital Commitments at 31 December 2019: \$1,483,970)

## (b) Operating Commitments

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

- (a) Laptops for Teachers
- (b) Lease of Land from PN City Council

	2020 Actual \$	2019 Actual \$
No later than one year	12,370	13,891
Later than one year and No Later than 5 Years	12,925	10,633
Later than 5 Years	-	-
	<hr/>	<hr/>
	\$ 25,295	\$ 24,524
	<hr/>	<hr/>

## 26 Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment, accumulated surpluses and deficits, and reserves. The School does not actively manage capital but "attempts" to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

## 27 Financial Instruments

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

### Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	216,482	400,490	300,087
Receivables	938,011	905,000	1,191,040
Investments - Term Deposits	3,654,463	4,200,000	4,500,000
	<hr/>	<hr/>	<hr/>
Total Financial Assets Measured at Amortised Cost	\$ 4,808,956	\$ 5,505,490	\$ 5,991,127
	<hr/>	<hr/>	<hr/>

### Financial liabilities measured at amortised cost

Payables	1,288,243	1,634,724	1,171,955
Borrowings - Loans	400,000	400,000	400,000
	<hr/>	<hr/>	<hr/>
Total Financial Liabilities Measured at Amortised Cost	\$ 1,688,243	\$ 2,034,724	\$ 1,571,955
	<hr/>	<hr/>	<hr/>



## 28 Breach of Section 4B of the Education Act 1989

There were 2 International Students who received tuition prior to fees being received in full.  
(2019: 3)

## 29 Assets Held for Sale

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Balance at 1 January	243,435	-	243,435
Disposals during the year	(243,435)	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31st December	\$ -	-	\$ 243,435
	<hr/>	<hr/>	<hr/>

The two residential properties situated at 10 Ivanhoe Terrace, Palmerston North and 19 Wellesbourne Street had their boundaries confirmed and were sold in October 2020.

## 30 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 members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of the total was payable was as follows:

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

## 31 Comparatives

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

## 32 Events After Balance Date

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

# **PALMERSTON NORTH BOYS' HIGH SCHOOL**

Report from the Rector

For the year ended 31 December 2020

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A report on the 2020 school year would not be complete without reference to the interruptions caused by Covid-19. The lockdown created significant disruption throughout the country. Because of Covid, the examination period was affected, as were sporting competitions across the country. Due to the changes in the school year, the full school prizegiving was changed to separate senior and junior events and were held in the school hall.

Despite the effects of Covid, there continued to be an impressive range of achievements from the young men of the school which reflected the significant involvement of the students of Palmerston North Boys' High School in academic, cultural, or sporting activities.

What follows is a review of the achievements of the young men of PNBHS in the school's 119<sup>th</sup> year. The school yearbook, *The Palmerstonian*, records a significant range of activities and achievements from throughout the year. The continued excellence in academic, cultural, and sporting activities, as well as the sheer numbers of young men involved in so many areas of school life, is heartening.

Our school's vision is 'To develop educated men of outstanding character.' This remains of paramount importance throughout the year and our teaching programmes and resourcing continues to be aligned with this vision. The vision is well-supported by our values: integrity, courage, pride, respect, industry, and humility. The school has had a growing focus on the importance of character education and in recent times we have been working with Circle Education, the Association of Boys' Schools (ABSNZ) and the International Boys' Schools Coalition (IBSC) in this regard to further develop character education at Palmerston North Boys' High School.

The student achievement-focused goals and objectives were specific and the outcomes at the senior level in 2020 were, in the main, positive. We will continue,

with a focus on student achievement levels, to review and analyse data – and continue to aim for improvement. A number of factors have had an impact on achievement rates in recent years, in particular the development of more vocationally based senior courses. There are currently more than 160 young men on the books of the local ITO's showing just how many apprenticeship opportunities have been secured by PNBHS pupils in recent years.

The school's co-curricular programme continues to play a vital role in the development of our young men. It is crucial, we believe, for an all-round education, and for many of our young men school is made far more bearable because of their involvement outside the classroom. Talented musicians, thespians, sportsmen, and cultural performers are able to involve themselves in their chosen field to a high level. Equally, there are significant numbers who are involved because they enjoy whatever it is they are involved in, regardless of ability, and the school is able to provide opportunities for young men of all abilities.

### **Student Achievement – Academic**

The school continues to emphasise the attainment of an academic qualification as its priority for each young man in the school. This emphasis is important to the school's vision for young men to leave the school educated. While we do consider the importance of a balanced, all-round education, every other aspect of school life must remain secondary.

NCEA, through the New Zealand Qualification Framework, remains the primary qualification at this school. The school continues to provide the opportunity to study university papers as part of the senior accelerate programme, which has developed in recent years to include courses from Canterbury and Waikato Universities as well as Massey and Victoria.

The accelerate programme and learning support programmes are in place to aid learning and to create enrichment opportunities so that young men can reach their potential. In 2020 within-school testing revealed that the Year 9 cohort had enough



pupils with academic challenges to fill four classes of Learning Support. However, resources are of course limited, and so we had to limit numbers to the usual two classes.

## **New Zealand Qualification Framework**

Palmerston North Boys' High School uses the National Certificate of Educational Achievement as its core qualification. Subjects are expected to use Achievement Standards, unless vocational. In 2020 all courses at NCEA Level 2 and Level 3 were expected to provide a minimum of eighteen to twenty credits with external assessment compulsory where available, although the number of assessments offered in senior academic courses has been reviewed and subsequently reduced.

In last year's report I noted the following: "In 2019 significant changes were made to the NCEA Level 1 programme at PNBHS. After considerable time planning and consulting with various groups, the decision was made to reduce the focus on assessment at Level 1. This meant that a young man will not be able to achieve Level 1 in Year 11 but of course as he progresses to Year 12 that will happen. Courses have been developed to take advantage of the extra teaching time created by the reduced assessment programme with a view to providing pupils with a more thorough preparation for the important NCEA Level 2 qualification." It will be interesting to note the impact of these changes at NCEA Level 2 – early indications based on achievement data shows an improvement in Level 2 results in general, but a particular increase in the number of Merit and Excellence endorsements.

Scholarship results from 2020 were again encouraging but still not as many as there should be. There was strong competition amongst the Year 13 cohort for our top academic awards. The involvement in university papers continues to be something of a double-edged sword in that many of the boys focus on those papers rather than scholarship; and by the time the scholarship exams roll around they are just about running on empty. 2020 Dux Litterarum achieved an Outstanding Scholarship among his four scholarship passes; Cameron van Rynbach also achieved four, while Jacob Mildenhall and Year 12 pupil Alex Cole both achieved three. Calculus was the top performing subject with nine.

The summary of 2020 results are as follows:

15.7% of Year 11 students gained NCEA Level 2	(National 1.8%)
81.5% of Year 12 students gained NCEA Level 2	(National 79.1%)
13.2% of Year 12 students gained NCEA Level 3	(National 1.4%)
67.3% of Year 13 students gained NCEA Level 3	(National 71.4%)
48.6% of Year 13 students gained University Entrance	(National 51.7%)

It should be noted that because of the school's accelerate programme, the statistics are affected by multi-level study: for instance, Year 12 accelerate students who are sitting NCEA Level 3, who are included in the roll-based figures.

A total of 44 accelerate students were enrolled in 93 papers across a range of subjects. The 2020 results were again impressive in terms of A grade passes, with 66 A grades (A+, A, A-). The top performers were 2020 Dux Litterarum Paul Lee with four A+ grades; 2020 Proxime Accessit Eric Jiang (four A+), Jacob Mildenhall (three A+, one A); George Ambridge (three A+); Matthew Cooper (two A+, two A-); Cameron Giddens (two A+, one A); Kabir Benipal, Kevin Chen and Cameron van Rynbach (all two A+).

The cultural and performing arts side of the school continues to flourish contrary to perceptions of boys' schools and there are some remarkably talented young men in that regard at PNBHS.

This year's major production was "Me and My Girl", a musical originally written in the 1930s and later updated by Stephen Fry in the 1980s. Unfortunately, the show's run was interrupted by Covid and was forced to close early. It was hugely entertaining, with a talented cast led by Zac Maskill in the lead role. Mr Burton and his team are to be congratulated for all their hard work in bringing such an impressive show to fruition, and one must feel for all involved given the timing of the lockdown.

My thanks go to all who were involved throughout the process, staff from both schools, performers, crew and a number of supporters and helpers who every year

give of their time and expertise to ensure such a wonderful production. We are incredibly fortunate to have such support from our community.

Alongside the major production, this year's Dramafest was held in term 3 and strong performances were produced from classes taking Level 3 Drama. The junior production and the junior performing arts programme also provide opportunities for those from Years 9 and 10 to make a foray into the world of dramatic theatre. Numbers in this junior programme continue to rise which is certainly encouraging.

The number of young men involved in debating continues to grow, and the school was involved in a significant number of debates, both locally and further afield. In a forced change to online debating, which proved rather more popular than one might think, the Super Eight competition was able to go ahead, and both the Senior A and Junior A teams were able to win their respective Super Eight titles.

The Palmerston North Boys' High School Kapa Haka group and Pasifika group had their years curtailed by Covid, with few opportunities to perform. It has been great to see the numbers involved in these programmes despite the challenging year.

Music at School continues to grow, and the number of talented young men continually impresses. Yet again, the Stage Band was superb. Although less busy than in previous years the consistent standard of the band was exceptional, with Neville Lauridsen again leading the way. Mr Lauridsen is superb at getting the very best out of the boys and we are indebted to him for the time and energy he devotes to the Stage Band and the school in general.

The Norton Trio of Ray Su, Ciaran Carroll and Torrence Cheung won the Regional Chamber Music competition while Joe Inman had a successful year: selection in the NZSS Brass Band as well as selection in the National Youth Brass Band of New Zealand, essentially an Under 23 band and seen as the next step after the NZSS Band. Joe also won a New Zealand U19 Brass Band competition with a performance submitted online. Brandon Lee was also selected for the NZSS Brass Band on second cornet.



The theme of the annual School Concert was 'Out of Lockdown', and with supreme irony the second night had to be cancelled as the country moved back into Alert Level 2. As with every year, a number of outstanding solo performances from some very talented young men were a particular highlight, as well as fine performances from a number of musical and cultural groups. We are indeed fortunate to have Mr Young and Mr Dredge, who continue to do a superb job in the Music department. Mr Lauridsen, Mr Hoare and Mrs Dearlove all put in a significant amount of time and we are fortunate to have such a dedicated team.

OK Chorale, the elite choir, had very much a difficult year with their competitions cancelled and opportunities to perform curtailed. Carlos Fung and Sebastien Cave were selected in the NZSS Choir in 2019 and were part of that programme again in 2020.

At the 2020 New Zealand Secondary Schools' Athletic Championships in Tauranga the PNBHS athletes performed well. Braxton Kauri won the Junior 300m Hurdles, Forbes Kennedy won the Junior Long Jump, while Angus Lyver was third in the Senior 200m and second in the Senior Long Jump. Both the Senior and Junior 4x100m relay teams won their events – the first time in the school's history that we have done the 'double', and a great way for coach Robin Doyle to sign off.

Mr Doyle continues to make a significant contribution to athletics in the school and it is hoped that he will remain involved after his retirement. He has coached and trained a huge number of young men throughout his time at Boys' High, and I would like to thank him again for everything he has done in athletics at school. His name is legendary amongst athletics circles throughout the land.

The Senior A Badminton team enjoyed another successful year. They returned to the top of the Super Eight ladder, winning the tournament in Taradale convincingly, not losing a single game throughout. It is the 14<sup>th</sup> time the Senior A team has won the Super Eight title. The Senior B team also performed creditably at the tournament, finishing sixth overall. My thanks go to Mr Ong, Mr James and Mrs Young-Wilson for their efforts in badminton this year.

Basketball numbers continue to be huge and yet again the school fielded a significant number of teams in the local competitions. The Premier A team qualified for the NZSS Championships, only for that event to fall victim to Covid-19. The team was competitive at the Super Eight tournament in Tauranga; despite finishing sixth there were several close games and the young side showed encouraging signs for the future. The Premier squad, split into two teams for the Manawatu Secondary Schools competition, contested the final where 'Blue' prevailed over 'White' 74-70.

The Junior A team finished fourth at the Super Eight tournament in Hamilton and had some encouraging results against much bigger sides. Size isn't always everything, of course.

In the local Manawatu Secondary School competitions, 23 teams made semi-finals with a number going on to win their grade. Dr Smith and Mr Benn are to be thanked for their organisation of so many teams.

Canoe Polo also had a disjointed season, as they usually go for almost the entire year, finishing runners-up in the local secondary school competition. The Senior A team finished third at the NZSS Championships.

The Senior A Chess Team had a successful season, finishing first at the Manawatu Regional Competition.

The 1<sup>st</sup> XI Cricket team had another busy year, beginning with a fourth-place finish in the Super Eight tournament held in New Plymouth. An outright win over Napier BHS by 124 runs was followed by a draw with Wellington College after taking a first-innings lead. A draw in the annual three-day fixture with Auckland Grammar was preceded with a 227-run win over St. Patrick's, Silverstream in a limited over match. The team qualified for the Central Districts qualifying tournament in Term IV – another postponement due to Covid.

Curtis Heaphy was selected for the NZ U19 squad as part of the selection process for the 2022 U19 World Cup. Curtis was also selected in the Central Districts U17 and U19 teams, as well as a CD Select XI and the NZ Maori Secondary School team.

It was also encouraging to see the number of young men who continued to be involved in Saturday morning and afternoon competitions, including the school's Cake League competition. My thanks go to the staff who are involved with our cricket teams; the amount of time and commitment required is significant and much appreciated.

Cycling remains popular at School, although the cycling season was almost non-existent this year. Prior to lockdown, Year 9 brothers Harrison and Ta Craw achieved notable success at the NZ Track Cycling Championships. In the Team Sprint the two won gold medals, setting U15 records in the process. Harrison won gold in the U15 Derby race, and in the U15 Time Trial Ta won silver and Harrison bronze.

The 1<sup>st</sup> XI football team managed to have a busy season, competing in the YORB Horizons Premiership alongside the Super Eight tournament and traditional interschool fixtures. The team finished third in the Horizons Premiership, and after a number of positive performances in the school fixtures, finished fourth at the Super Eight tournament in Rotorua.

Goalkeeper Callum Kennett was selected for the NZ U17 training squad as part of the NZ U17 team selection process.

There were a number of positive results from the school's other football teams, particularly at the junior level. The 2<sup>nd</sup> XI acquitted themselves well in the Senior Men's competition, while two competitions were won by PNBHS teams: the 4<sup>th</sup> XI won U19 Division 2 and Junior B won U15 Division 1.

The Senior A Golf Team will compete in the (at the time of writing) upcoming Manawatu/Wanganui Intercollegiate golf tournament. The team of Remy Early, Kaleb Fagan, Cameron Giddens and Kieran Giddens played superbly at the Super Eight tournament to win the title by 12 strokes.

The introduction of a regional secondary school 1<sup>st</sup> XI competition saw the 1<sup>st</sup> XI hockey team playing in two Hockey Manawatu grades this year. The 1<sup>st</sup> XI won the secondary school grade after going through the season unbeaten and performed



creditably in the Senior Men's Division Two competition where they narrowly missed out on promotion to the first division. Unbeaten in inter-school fixtures prior to the Super Eight tournament in Mt Maunganui, an off day in the semi-final saw the team finish third.

The 2<sup>nd</sup> XI lost on strokes in the final of the Secondary Schools Division Two while the U15 Colts team finished second in their junior Super Eight tournament despite going through unbeaten.

The 1<sup>st</sup> XV rugby team had a positive build-up to the Super Eight competition and had a win over Hastings in the opening Super Eight match. Mixed results followed, including an agonising last-minute loss in the Moascar Cup challenge against Rotorua BHS. Captain Elyjah Crosswell was selected in the NZ U18 Barbarians training squad, essentially an extended NZSS squad.

The 2<sup>nd</sup> XV finished third in their Super Eight competition after a number of positive results. Numbers were up in rugby this season, particularly after the return from lockdown where it was suggested boys wanted to get a bit of pent-up energy out of their systems. The local season was, of course, interrupted, but PNBHS teams acquitted themselves well: the 4<sup>th</sup> XV won the Premier 3 competition, the U15 Colts won Premier 3A and the Junior 8 team won the Youth 4 division.

1<sup>st</sup> XV captain Elyjah Crosswell was selected for the NZ U18 Barbarians squad, effectively an NZSS squad for 2020.

The Clay Target shooters had an excellent year with some encouraging performances. The Senior A team finished first in the lower North Island circuit, with Greg Wood first in the Points Score and Ollie Duncan first in the Junior Shooter category. At the NZSS Riley Hudson won HOA in the Points Score category. A number of competitions were deferred through Covid.

The Smallbore Shooting team also had a disrupted year, with the NZSS Championships held concurrently at multiple ranges around the country. The Senior A team finished 12<sup>th</sup>, but David Murphy had an outstanding tournament with

selection in the North Island team, for whom he shot his first '100'. He was subsequently selected for the NZSS team to compete in a postal shoot against Great Britain. David also won the trophy for 'Top Boy' at the NZSS event.

The school continues to have good numbers involved in squash number of young men involved in squash remains high, with a number of teams representing the school throughout the year.

PNBHS swimmers had a number of events deferred, but at the NZSS Championships in Hamilton, Alex Odom won the 15-year-old 50m backstroke, as well as silver medals in the 100m and 200m backstroke. Ryan Stott, Ian Tsui and Cole Phillips were other medallists, while the U16 Medley relay team finished second by 0.07 of a second, and the U16 4x50m freestyle relay saw the team also finish second. Overall, PNBHS finished third in the boys' school standings.

At the Manawatu SS Championships, Ian Tsui, Joshua Carroll, Ryan Stott and Charlie Hook performed well in the junior age groups. In other age groups, Alex Odom continued his fine form winning a number of events, breaking records in the process. Cole Phillips, Alex Willis, Lucas Reed, Cameron Baker, Jason Tsang, Connor McKay, Levi Holman, Marcus Blok and Jake Thompson also performed well.

Table tennis continues to be popular with 15 teams entered in the local competition and School won the MSS Trophy.

The Senior A Tennis team were runners-up at the Super Eight tournament in Palmerston North and had a comprehensive win over Napier BHS in the annual fixture.

Touch Rugby is another popular sport at School, with seven teams involved in the local secondary schools' competition. 13 members of the Manawatu U16 squad of 18 that finished runners-up at the Touch NZ Junior National tournament were from PNBHS. Maraki Aumua, Fletcher Carpenter (U16 Boys) and Braxton Wilson-Clune (U16 Mixed) were selected for higher honours.

The Senior A Volleyball Team finished seventh at the Super Eight tournament despite a record of two wins and three losses. Numbers in local competitions continue to be strong. The NZSS Championships were cancelled this year.

With a number of events cancelled, there were fewer national representatives and national title winners in 2020. However, the following were selected for national representative teams or groups:

Maraki Aumua – NZ U17 rugby league, NZ U16 Boys' touch team; Reuben Bilsland – NZ Youth Pipe Band; Fletcher Carpenter – NZ U16 Boys' touch team; Sebastien Cave – NZ Secondary Students' Choir; Elyjah Crosswell – NZSS Barbarians rugby team; Damon Dickons – NZSS canoe polo tournament team; Carlos Fung – NZ Secondary Students' Choir; Curtis Heaphy – NZSS Maori cricket team, NZ U19 cricket development squad; Joe Inman – NZ Youth Brass Band; Solomon Kaihe – NZ Maori U21 hockey team; Brandon Lee – NZSS Brass Band; Haimona Maruera – NZ Junior Black Sox softball squad; Callum McKinnon – NZ U18 table tennis team; Damon Meehan – NZ Junior boxing team; David Murphy – NZSS smallbore shooting team; Alex Odom – NZ elite swimming programme; Hael Pritchard – NZ Maori U21 hockey team; Joe Simpson-Smith – NZ Junior Black Sox softball squad; Ray Su – NZSS Brass Band; Steffan van Uffelen – NZSS canoe polo tournament team; Braxton Wilson-Clune – NZ U16 Mixed touch team.

## **Summary**

2020 was an interesting year for the school. Despite the regular use of the word 'unprecedented', it was the fourth time in our history School was closed due to a pandemic or epidemic.

Palmerston North Boys' High School is fortunate to have an excellent staff. Only two new members of staff were appointed for the 2021 academic year, although it must be noted that in the next few years a number of excellent, experienced and long-serving staff members will be retiring. We have been fortunate to have appointed a number of good young teachers in recent years but teaching as a profession in New



Zealand continues to suffer from being held in low regard. Some of that may be the profession's own fault – often the only attention gets in the media is about how hard it is, the hours, the poor pay; more bad than good, unfortunately.

As well as a great staff, the school is in the enviable position of having a superb Board of Trustees. All members of the Board contribute to the effective governance of the school. I appreciate the time they give to the school and their commitment. Michael Lawrence, as Board Chair, does an outstanding job and we are fortunate to have such a wise and dedicated Chairman. I have heard of a number of schools where there is a terrible relationship between board and principal and so I count myself fortunate to not be in such a position.

D M Bovey  
RECTOR

# **PALMERSTON NORTH BOYS' HIGH SCHOOL**

## **Analysis of Variance Report**

For the year ended 31 December 2020

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### **Student Achievement – Annual Targets**

#### **National Certificate of Educational Achievement**

The school's continuing focus is to improve academic achievement levels for all students. This can often be difficult, often depending on the strength of particular cohorts, and a refusal to water programmes down to make the stats look good. Mentoring programmes for Year 11 and 12 pupils continue to have very positive outcomes.

The school does recognise that through time there will be variances within year groups. That said, the focus of our teaching staff is to use this data to motivate student's levels of achievement.

The reality between 2020 and 2021 is as follows:

<b>NCEA</b>	<b>LEVEL</b>	<b>2019</b>	<b>2020</b>	<b>RESULT</b>
Year 11	2	12.3%	15.7%	3.4% increase
Year 12	2	77.6%	81.5%	3.9% increase
Year 12	3	13.2%	13.2%	No change
Year 13	3	68.1%	67.3%	0.8% decrease
Scholarship		34	32	2 decrease

The tracking of the school's progress has been occurring since 2004.

The points of interest for our teachers and school are:

- As mentioned earlier in this report, the improved results at NCEA Level 2, in particular the significant increase in Merit and Excellence Endorsements.
- The students in the Year 11 and Year 12 accelerate programmes continue to produce excellent results. Their efforts and ability are well recognised. The

programme is serving its purpose for this group of young men. The number involved in these programmes varies depending on the strength of the cohort.

- The school's NCEA Level 3 results were not quite at the same level as last year. There is a feeling that the number of young men in Year 13 involved in vocational courses has had an impact in this regard.
- The scholarship programme continues to be refined by Heads of Department and will continue to be a focus for 2020.

## **Literacy 2020**

The school continues to recognise that literacy is essential for successful teaching and learning to occur. Having a whole school approach to literacy enables students and teachers to recognise what reading and writing strategies should be used when approaching a particular text. Generic literacy skills teaching will only take students so far, as they begin to develop subject based expertise. Teaching literacy across the curriculum has three major aims:

- To broaden the students command of literacy skills by giving them a range of contexts in which to use and practise their skills.
- To teach the literacy skills central to a particular subject
- To enhance students understanding of a particular subject and therefore improve their motivation.

The school recognises that vocabulary is an essential element of literacy in any subject and, because of this measurable targets are set for the whole school.

The school used the Paul Nation Vocabulary tests as follows:

Year 9 and 10 students                      2000, 3000, 5000 and 10,000 word tests

Year 11, 12 and 13 students            10,000, academic and university word tests

The students were tested in March and November. The testing methodology changes continue to motivate the students to pass and to provide data that is more accurate.



In 2020 the disruption to the testing process in March meant that the number of students tested and included in the school data was below the percentage of cohort that are usually tested. This disruption continued into November. Senior student numbers tested were well below normal as students were missing on testing days trying to complete courses both inside and outside the classroom.

For the junior school, the target of 5% improvement from Test 1 to Test 2 was exceeded for all four tests by Year 9 students. Year 10 also met this target this target but for 10,000 words it was only by 5% which was markedly lower than any of the other tests even though it met the 5% target. In 2020 the biggest improvement for Year 9 was in the 5000-word test. The passing percentage for this test was improved by 21.8% for Year 9 whereas it was only 5% for Year 10. The total students passing the 10000-word tests was pleasing as both Year 9 and 10 students that passed this test have the vocabulary necessary to succeed at Level 1 NCEA. It was especially gratifying to see the percentage increase improvement for Year 9 10000 words at 20.2%

The passing percentage by ethnicity also showed a greater than 5% improvement. The Maori and Asian 10000-word test results were well above the 5%. Maori had a 11.8% improvement and Asian 9.6%. At the 10000 level Pacific Island improvement was lower than the results for 2019, even though the 5% target was exceeded. This means that these students are more likely to have the vocabulary necessary to pass NCEA Level 1.

The junior school results are shown in the tables and graphs in the appendix.

The target for the Senior School was not met for two of the three tests. However, it is of concern that the 10000 words test, which is the vocabulary required to sit NCEA, still has a passing percentage below 50%. However, the senior school was the group most affected by the interruptions to the testing programme and the results may not reflect the true vocabulary levels of the cohorts. We know that a student's vocabulary is the best predictor of future success and that students with a poor vocabulary at five are more likely to struggle with reading in adulthood and three times more likely to have mental health issues. Responsibility for literacy, therefore, is non-negotiable. Vocabulary can be acquired through incidental learning so reading volume is very important in terms of long-term vocabulary development.

Exposure to wide reading through the Sustained Silent Reading Programme is a school-based initiative to contribute to vocabulary development. However, an improved percentage pass rate for the 10,000 will need still more cross-curricular discussion of words and ways to use context clues to make educated guesses for unknown words. Many departments are now making a concerted effort to improve both subject specific vocabulary, as well as general vocabulary, as they recognise the importance of vocabulary development to academic success.

The target for 10000 words in the senior school was only met by the Year 13 students. Our aim is for all senior students to at least have the 10000-word level before the external examinations.

The school entry tests continue to provide evidence that larger numbers of students continue to be less literate when they enter Secondary School. As a consequence of this the school will continue to focus on literacy across the curriculum in 2021. The emphasis will vary depending on choices made in each department but a core literacy strategy in all departments will be vocabulary. Other choices will be based on perceived need but will include reading strategies.

Key Result Area	Objective	Strategies	Measure	Outcome	Lead by
<b>LITERACY</b>	<ul style="list-style-type: none"> <li>To increase teachers' knowledge of subject specific literacy.</li> <li>Teachers understand the specific literacy demands of their subject.</li> </ul>	<p>Departmental analysis of literacy needs of their subject:</p> <p><b>Science:</b> Subject specific Vocabulary and reading comprehension in topics.</p> <p><b>Mathematics:</b> Subject specific vocabulary</p> <p><b>English:</b> Reading and writing subject specific vocabulary.</p> <p>Vocabulary to improve writing</p> <p>Vocabulary for assessments and examinations.</p> <p><b>Social Studies:</b> Subject specific vocabulary.</p> <p>Exploring etymology and morphology.</p> <p>Links between key terms.</p> <p>Modelling of vocabulary use.</p>	<ul style="list-style-type: none"> <li>Literacy requirements of all subjects identified and planned for.</li> <li>Literacy strategies implemented and informed instructional decisions made.</li> <li>Anecdotal assessment by teacher.</li> <li>Appraisal feedback based on achievement against identified strategies.</li> <li>Improved results in vocabulary testing.</li> </ul>	<p>Improved knowledge of and use literacy strategies.</p> <ul style="list-style-type: none"> <li>Students demonstrate confidence in literacy activities within topic contexts.</li> <li>Lift in test results.</li> <li>Improved student engagement within oral lesson discussion and consequent written work.</li> </ul>	Kathryn Rankin
Raising Academic Achievement	<ul style="list-style-type: none"> <li>Teachers actively teach subject specific literacy.</li> <li>Teachers use literacy data to inform their teaching.</li> <li>Teachers identify the Literacy learning needs of their students.</li> <li>Teachers are to identify learning needs of individuals/ individual classes .</li> <li>Expand students use of writing vocabulary.</li> </ul>				



Key Result Area	Objective	Strategies	Measure	Outcome	Lead by
	<ul style="list-style-type: none"> <li>Lift class wide accuracy when reading subject related vocabulary.</li> </ul>	<p>Checking vocabulary understanding and reinforcement of understanding as words arise in context.</p> <p>Use a mixed range of activities: Shared reading.</p> <p>Affirmation to student attempts.</p> <p>Modelling of word attack strategies.</p> <p>Multiple use of vocabulary as it occurs within lesson contexts</p>	<ul style="list-style-type: none"> <li>Sample analysis of written responses within evaluation tools (e.g. common assessments/ examinations).</li> </ul>		Kathryn Rankin

## 2020 Vocabulary Test – Overall Summary Juniors

Passing Percentage				
	Vocab Level	Previous	Test 1	Test 2
	2000 Words	42.2%	43.1%	7.7%
	3000 Words	38.5%	36.4%	10.0%
	5000 Words	28.5%	27.4%	12.0%
	10000 Words	4.9%	27.4%	12.0%

Improvement			
Vocab Level	Students	Increase	% Increase
2000 Words	58	3.17	10.6%
3000 Words	108	5.19	17.3%
5000 Words	139	4.43	14.8%
10000 Words	347	3.61	12.0%

### Passing Percentage - By Ethnicity

Passing Percentage - By Ethnicity																
Ethnicity	2000 Words			3000 Words			5000 Words			10000 Words						
	Previous	Test 1	Test 2	Total	Previous	Test 1	Test 2	Total	Previous	Test 1	Test 2	Total				
NZ European/Pakeha	49.0%	41.9%	6.1%	97.0%	45.2%	36.4%	9.1%	90.6%	34.4%	30.0%	12.1%	76.6%	6.3%	5.2%	8.3%	19.8%
	41.3%	43.2%	8.4%	92.9%	39.4%	34.8%	9.7%	83.9%	25.2%	23.2%	14.2%	62.6%	3.9%	3.2%	5.2%	12.3%
Pacific Islander	35.4%	31.3%	12.5%	79.2%	31.3%	25.0%	10.4%	66.7%	20.8%	20.8%	6.3%	47.9%	2.1%	4.2%	2.1%	8.3%
Asian	20.7%	35.5%	7.4%	63.6%	16.5%	33.1%	7.4%	57.0%	14.9%	21.5%	7.4%	43.8%	3.3%	4.1%	6.6%	14.0%

## Improvement for Those who Sat the test twice - by Ethnicity

Ethnicity	2000 Words		3000 Words		5000 Words		10000 Words	
	Increase	%	Increase	%	Increase	%	Increase	%
NZ European/Pakeha	3.8	12.7%	5.4	17.8%	3.7	12.2%	3.7	12.4%
Maori	3.0	10.0%	6.0	19.9%	5.5	18.3%	3.5	11.8%
Pacific Islander	1.3	4.3%	1.8	5.8%	4.5	15.0%	1.8	6.0%
Asian	2.6	8.8%	3.3	10.9%	2.1	7.0%	2.9	9.6%

### Passing Percentage - By Year Level

Passing Percentage - By Year Level												
Year Level	2000 Words			3000 Words			5000 Words			10000 Words		
	Test 1	Test 2	Total	Test 1	Test 2	Total	Test 1	Test 2	Total	Test 1	Test 2	Total
	Year 9	79.1%	11.7%	90.8%	64.2%	16.2%	80.4%	40.5%	15.9%	56.4%	3.9%	6.4%
Year 10	91.8%	3.5%	95.3%	86.0%	3.5%	89.5%	72.0%	7.9%	79.9%	15.7%	7.9%	23.6%

### Improvement for Those who Sat the test twice - by Year Level

Improvement for Those who Sat the test twice - by Year Level								
Year Level	2000 Words		3000 Words		5000 Words		10000 Words	
	Increase	%	Increase	%	Increase	%	Increase	%
Year 9	3.2	10.6%	6.0	19.9%	6.5	21.8%	6.1	20.2%
Year 10	3.2	10.6%	2.9	9.5%	1.5	5.0%	1.8	5.9%



## 2020 Vocabulary Test – Overall Summary Seniors

Passing Percentage			
Vocab Level	Previous	Test 1	Test 2
Academic	42.5%	26.2%	12.0%
10000 Words	21.2%	12.7%	6.8%
University	24.6%	10.1%	8.7%
			43.4%

Improvement			
Vocab Level	Students	Increase	% Increase
Academic	156	0.46	1.5%
10000 Words	290	0.56	1.9%
University	266	2.01	11.2%

Passing Percentage - by Ethnicity										
Ethnicity	Academic Vocab				10000 Words				University	
	Previous	Test 1	Test 2	Total	Previous	Test 1	Test 2	Total	Previous	Total
NZ European/Pakeha	48.6%	26.2%	12.1%	86.9%	26.0%	14.6%	7.7%	48.4%	30.4%	49.9%
Maori	35.3%	29.9%	10.0%	75.1%	14.9%	10.0%	5.0%	29.9%	16.4%	35.8%
Pacific Islander	36.5%	17.3%	7.7%	61.5%	7.7%	1.9%	1.9%	11.5%	11.5%	23.1%
Asian	34.6%	24.6%	15.1%	74.3%	18.4%	13.4%	7.8%	39.7%	20.7%	39.1%

Improvement for Those who Sat the test twice - by Ethnicity						
Ethnicity	Academic		10000 Words		University	
	Increase	%	Increase	%	Increase	%
NZ European/Pakeha	-0.2	-0.5%	0.8	2.7%	2.1	11.4%
Maori	-1.4	-4.8%	0.3	0.8%	1.7	9.7%
Pacific Islander	0.6	2.0%	-0.4	-1.2%	1.6	8.8%
Asian	3.5	11.8%	0.6	2.0%	2.3	12.6%

Passing Percentage - By Year Level										
Year Level	Academic Vocab				10000 Words				University	
	Previous	Test 1	Test 2	Total	Previous	Test 1	Test 2	Total	Previous	Total
Year 11	-	52.0%	23.7%	75.7%	-	17.3%	8.9%	26.3%	-	27.7%
Year 12	59.6%	15.7%	8.0%	83.3%	19.8%	13.9%	9.0%	42.6%	29.6%	46.6%
Year 13	78.4%	4.5%	1.1%	84.0%	51.3%	5.2%	1.5%	58.0%	51.3%	60.6%

Improvement for Those who Sat the test twice - by Year Level						
Year Level	Academic		10000 Words		University	
	Increase	%	Increase	%	Increase	%
Year 11	0.2	0.6%	0.3	1.0%	2.5	14.1%
Year 12	1.1	3.8%	0.5	1.5%	0.4	2.0%
Year 13	4.4	14.7%	2.6	8.8%	1.9	10.8%



# **PALMERSTON NORTH BOYS' HIGH SCHOOL**

## **Kiwisport Funding Statement**

For the year ended 31 December 2020

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### **Availability of Sporting Opportunities**

The Sports Co-ordinator liaises with outside organisations with Sport Manawatu being the main community based organisation and other schools that we have long -standing relationships with. Active relationships with community organisations that either offer students sporting opportunities directly or administer sporting opportunities for students.

Most of these links include the use of community or club facilities. These links assist the students to continue their sporting interest after leaving school.

Sporting links include the following sports: athletics, badminton, basketball, boxing, canoe polo, clay target shooting, cricket, croquet, cycling, football, golf, hockey, indoor cricket, Ki O Rahi, motocross, mountain biking, orienteering, rugby, squash, swimming, table tennis, tennis, touch, volleyball and water polo.

The school offers 28 sports, this is maintained yearly, and staff are committed to the areas where they have an interest. All new students are informed of their options; students have opportunities to play at their skill level. The Sports Co-ordinator provides an administrative service to this network of sports.

### **Student Participation**

With 66% of students involved in sport, this school aims to maintain this participation by offering sporting opportunities for all skill levels. School teams compete either locally or outside the region to get the most suitable competition. By offering this variety of sports students are more likely to remain in a sport where they are competitive or get enjoyment. The Sports Co-ordinator organises the sporting fixtures outside the region.

Kiwisport Funding Received for the 2020 Year: \$38,844 (2019: \$38,844)

# **PALMERSTON NORTH BOYS' HIGH SCHOOL**

## **Statement of Human Resources**

As at 31 December 2020

<b>STAFF</b>	<b>2020</b>	<b>2019</b>
Teaching	125	133
Administration and Support	45	45
Hostel	16	17
	<hr/>	<hr/>
	186	195
	<hr/>	<hr/>

(Includes full and part-time staff)

## **STUDENTS**

Roll number at 1 March

Year 9	383	364
Year 10	375	360
Year 11	346	372
Year 12	351	332
Year 13	283	260
	<hr/>	<hr/>
	1,738	1,688
	<hr/>	<hr/>

The School was open during the year for the following  
number of half days

380	380
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This includes online teaching offered by the school  
to students during the Covid-19 lock down

# **PALMERSTON NORTH BOYS' HIGH SCHOOL**

## **Statement of Physical Resources**

As at 31 December 2020

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### **BUILDINGS AND GROUNDS**

The school buildings comprise:

- Eight classroom blocks (includes workshops, science laboratories and art rooms)
- Eleven relocatable classrooms
- Administration/Library/Staffroom block
- Hall/Drama Block
- New Gymnasium & Weights Room
- Old Gymnasium/Memorial Gallery
- Aquatic Sports Centre
- Eight artificial surface tennis courts
- Cricket Pavilion/Jubilee Room
- Groundsman Shed
- Small Garage
- Rugby Garage
- Six Maintenance garages
- Grandstand/Changing facilities
- Caretaker's House
- Tennis Pavilion
- Bicycle Security Area
- Staff Houses (5)
- Speirs Centre (Auditorium and Music Suite)
- Covered Canteen Area

College House buildings comprise Main Dormitory Block, The Colquhoun Wing, The Hart Dining Hall, Laundry, Computer Suite, Murray House and the properties at 105 and 109 North Street.

The school occupies 7.8 hectares of land which have been developed to include:

- Two artificial cricket pitches
- Two rugby fields
- Two soccer fields
- Tennis Courts (as above)
- Multipurpose grass area
- Eight cricket practice lanes

The ownership of the School buildings (with the exception of P5, P6, P7, F3, PE Lab, the Aquatic Sports Centre, the Tennis Pavilion, the staff houses, 50% of the Speirs Centre, the Covered Canteen Area, The Hart Dining Hall and the properties at 105 and 109 North Street) and land is vested in the Ministry of Education. The Board of Trustees is responsible for their property management.

The buildings are of differing ages and require various degrees of maintenance management.

The school has access (thanks to the Palmerston North City Council) to Coronation Park, Alexander Park, Monrad Park and Ongley Park. It also has a contract governing the use of Waihiko Park. The school leases the Queen Elizabeth College fields during the winter sports season.



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE READERS OF PALMERSTON NORTH BOYS' HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

The Auditor-General is the auditor of Palmerston North Boys' High School (the School). The Auditor-General has appointed me, Glenn Fan-Robertson, using the staff and resources of BDO Central (NI), 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 1 to 29, 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 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.

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 information included on pages 30 to 52, 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.



**Glenn Fan-Robertson**

*BDO Central (NI)*

On behalf of the Auditor-General  
Palmerston North, New Zealand