

Wa Ora Montessori School

Performance Report

For the year ended
31 December 2020

Contents

	Page
Non-Financial Information:	
Entity Information	1
Statement of Service Performance	2
Financial Information:	
Statement of Financial Performance	3
Statement of Financial Position	4
Statement of Cash Flows	5
Statement of Accounting Policies	6
Notes to the Performance Report	7-13

Wa Ora Montessori School

Entity Information

"Who are we?", "Why do we exist?"

For the year ended
31 December 2020

Legal Name of Entity:*	Wa Ora Montessori School Inc
------------------------	------------------------------

Other Name of Entity (if any):	Wa Ora Montessori Preschool
--------------------------------	-----------------------------

Type of Entity and Legal Basis (if any):*	Incorporated Society
---	----------------------

Registration Number:	392393
----------------------	--------

Entity's Purpose or Mission: *

1. Provide an environment that supports children's physical, moral, social, emotional and intellectual development, so they can be the best they can be, believing in their intrinsic worth and having a positive influence on the world. 2. Support the worldwide Montessori movement by influencing the external environment so that people and institutions are receptive to, supportive of and embracing of Montessori concepts.

Entity Structure: *

The Entity is an Incorporated Society that we call The Council.

The Council has two main objectives.

The first is to run an early childhood centre based on the Montessori Method of Education. The centre has 100 children ages 3-6 and associated staff, teachers and administrators.

The second is to protect the special character of the integrated Area School including providing and maintaining the property needed for the school to function.

The Council is run by an elected Board who appoint a principal to oversee the day to day running and ensure policies are followed.

Main Sources of the Entity's Cash and Resources:*

Wa Ora Montessori School Inc receives grants from the Ministry of Education in the form of:

- Early Childhood 20 Hours funding
- Early childhood subsidy
- Policy 1 money for the maintenance of the property used by the state integrated Area School

Wa Ora Montessori School Inc also receives fees revenue mainly from children attending the pre-school or requiring before or after school care.

Wa Ora Montessori School Inc also receives donations from the Wa Ora Montessori School Trust.

Main Methods Used by the Entity to Raise Funds:*

The majority of our funds are gained through the provision of grants for the running of the preschool and for the area school property.

In addition we receive funds from parents paying fees to attend the school, and from the Wa Ora Montessori School Trust who give funds to support teacher training and building programmes.

Entity's Reliance on Volunteers and Donated Goods or Services: *

The Council relies on volunteers to take up positions on the Board to oversee the governance aspect of the school, but for everything else, while donations of service or goods are gratefully accepted, they are not relied on.

Contact details

Physical Address:	278 Waddington Dr, Naenae, Lower Hutt
-------------------	---------------------------------------

Postal Address:	As Above
-----------------	----------

Phone/Fax:	04 567 2377 04 577 2707
------------	----------------------------

Email/Website:	Office@waora.school.nz www.waora.school.nz
----------------	--

Wa Ora Montessori School
Statement of Service Performance

"What did we do?", When did we do it?"

**For the year ended
31 December 2020**

Description of the Entity's Outcomes*:

Delivered a programme for 100 children aged 3-6

Supported professional development of teachers in Montessori philosophy through training and PD

Maintained the buildings for the Preschool

Developed plans for ongoing development of buildings in the Area School

Reviewed the bi-cultural practices of our pre-school

	Actual*	Actual*
Description and Quantification (to the extent practicable) of the Entity's Outputs:*	2020	2019
Staffing Professional Development	\$18,207	\$16,657
Admin block refurbishment Waddington Dr site of Area School	\$0	\$143,968
Tawari Extension Rata Street site of Area school	\$0	\$1,368,223
Kawakawa Toilet Block refurbishment	\$2,500	\$5,382
Staff Room Hallway Roof	\$0	\$19,183

Wa Ora Montessori School

Statement of Financial Performance

"How was it funded?" and "What did it cost?"

For the year ended

31 December 2020

	Note	Actual* 2020 \$	Actual* 2019 \$
Revenue			
Donations, fundraising and other similar revenue*	1	2,198	467,632
Fees, subscriptions and other revenue from members*	1	348,802	368,488
Revenue from providing goods or services*	1	1,304,244	1,237,429
Interest, dividends and other investment revenue*	1	504	1,287
Other revenue	1	351,403	377,232
Government Grant Income	1	138,955	-
Total Revenue*		2,146,106	2,452,068
Expenses			
Volunteer and employee related costs*	2	1,065,369	1,035,848
Costs related to providing goods or services*	2	268,642	234,053
Other expenses	2	716,377	660,137
Total Expenses*		2,050,388	1,930,038
Surplus/(Deficit) for the Year*		95,718	522,030

Wa Ora Montessori School
Statement of Financial Position
 "What the entity owns?" and "What the entity owes?"
 As at
 31 December 2020

	Note	Actual* 2020 \$	Actual* 2019 \$
Assets			
Current Assets			
Bank accounts and cash*	3	814,906	447,875
Debtors and prepayments*	3	96,606	74,099
Total Current Assets		911,512	521,974
Non-Current Assets			
Property, plant and equipment*	4	6,045,772	6,391,973
Other non-current assets	3	10,033	5,382
Total Non-Current Assets		6,055,805	6,397,355
Total Assets*		6,967,317	6,919,329
Liabilities			
Current Liabilities			
Creditors and accrued expenses*	3	107,599	62,834
Employee costs payable*	3	27,445	25,836
Operational grants in advance	3	69,285	76,049
Other current liabilities	3	888,006	480,346
Total Current Liabilities		1,092,335	645,065
Non-Current Liabilities			
Loans*	3	-	500,000
Other non-current liabilities	3	118,000	113,000
Total Non-Current liabilities		118,000	613,000
Total Liabilities*		1,210,335	1,258,065
Total Assets less Total Liabilities (Net Assets)*		5,756,982	5,661,264
Accumulated Funds			
Capital contributed by owners or members*	5	-	-
Accumulated surpluses or (deficits)*	5	5,756,982	5,661,264
Reserves*	5	-	-
Total Accumulated Funds*		5,756,982	5,661,264

This performance report has been approved by the Board, for and on behalf of Wa Ora Montessori School:

Date 30.6.21
 Signature [Signature]
 Name Avea Szabo
 Position Principal

30/6/21
[Signature]
 Scott Champion
 Chair

Wa Ora Montessori School

Statement of Cash Flows

"How the entity has received and used cash"

For the year ended

31 December 2020

	Actual*	Actual*
	2020	2019
	\$	\$
Cash Flows from Operating Activities*		
Cash was received from:		
Donations, fundraising and other similar receipts*	2,198	467,632
Fees, subscriptions and other receipts from members*	328,495	412,053
Receipts from providing goods or services*	1,283,966	1,247,621
Interest, dividends and other investment receipts*	504	1,287
Government Grant Income	138,955	-
Net GST	6,352	(17,460)
Cash was applied to:		
Payments to suppliers and employees*	1,192,605	1,257,551
Wage Subsidy Payment	138,955	-
Net Cash Flows from Operating Activities*	428,910	853,582
Cash flows from Investing and Financing Activities*		
Cash was received from:		
Funds administered on behalf of third parties	35,371	7,489
loans borrowed from other parties*	-	900,000
Cash was applied to:		
Payments to acquire property, plant and equipment*	23,424	1,550,533
Repayments of loans borrowed from other parties*	73,826	87,107
Net Cash Flows from Investing and Financing Activities*	(61,879)	(730,151)
Net Increase / (Decrease) in Cash*	367,031	123,431
Opening Cash*	447,875	324,444
Closing Cash*	814,906	447,875
This is represented by:		
Bank Accounts and Cash*	814,906	447,875

Wa Ora Montessori School
Statement of Accounting Policies
"How did we do our accounting?"
For the year ended
31 December 2020

Basis of Preparation*

Wa Ora Montessori School has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)*

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Income Tax

Wa Ora Montessori School is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Government Grant*

Operational grants are recorded as revenue as received. Other grants are recognised as revenue as received unless there are unfulfilled conditions attaching 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. The Government Wage Subsidy has been recognised as revenue as the payroll subsidy has been paid

Use of Land and Buildings Revenue*

The property from which the School operates is owned by Wa Ora Montessori School Inc. The revenue is based on an assumed market rental yield on the estimated integrated portion of the next book value of land and buildings. There is also an offsetting non-cash expense that equates to the non-cash portion of this revenue.

Property, Plant and Equipment, and Depreciation*

Property, Plant and Equipment are shown at cost less accumulated depreciation. Depreciation is charged so as to spread the cost of an asset over the useful life of the asset on a straight line basis. Individual values under \$500 are not capitalised, they are recognised as an expense in the statement of Financial Performance. The estimated useful lives of the assets are:

Buildings and Land improvements 5 years	20 years	Classroom Furniture	Office Furniture and equipment 5 years
Information and communication technology 8 years	4 years	Neinhus Equipment	Library Book and Resources 10 years

Donations*

Donations are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

Interest Revenue on bank balances and investments is recorded as revenue in the period it is earned.

Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Financial Performance on a straight line basis over the term of the lease.

Accounts Receivable

Accounts Receivable represents items that the School has issued invoices for, but has not received payment for at year end. They are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A provision for impairment of Accounts Receivable is established where there is objective evidence that the School will not be able to collect all amounts due according to the original terms of the debt.

Accounts Payable

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

Employee Entitlements - Salary Accruals

Salary accruals mainly reflect annual leave owing to teachers and ancillary staff and are recognised in respect of employees' services to balance date and are measured at the amounts expected to be paid when the liabilities are settled.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (2019 - nil)

Wa Ora Montessori School
Notes to the Performance Report
For the year ended
31 December 2020

Note 1 : Analysis of Revenue

Revenue Item	Analysis	2020	2019
Donations and other similar revenue	Wa Ora Trust Donation	\$ -	\$ 467,410
	Non Trust Donation	-	222
	Fundraising income	2,198	-
	Total	2,198	467,632

Revenue Item	Analysis	2020	2019
Fees, subscriptions and other revenue from members	Fees from members	\$ 336,302	\$ 356,488
	Playgroup	12,500	12,000
	Total	348,802	368,488

Revenue Item	Analysis	2020	2019
Revenue from providing goods or services	Ministry of Education Early Childhood Grant	\$ 1,087,589	\$ 1,035,597
	Property Maintenance Grant	198,842	182,639
	Miscellaneous receipts	2,528	1,795
	Civil defence	2,336	2,511
	Drycleaning	4	95
	MANZ levy	8,991	9,604
	Working bee	1,304	2,609
	Newsletter Subscription	2,650	2,579
	Total	1,304,244	1,237,429

Revenue Item	Analysis	2020	2019
Interest, dividends and other investment revenue	Interest	\$ 504	\$ 1,287
	Total	504	1,287

Revenue Item	Analysis	2020	2019
Other revenue	Use of land and buildings	\$ 351,403	\$ 377,232
	Total	351,403	377,232

Revenue Item	Analysis	2020	2019
Government Grant Income	COVID Wage Subsidy	\$ 138,955	\$ -
	Total	138,955	-

Wa Ora Montessori School
Notes to the Performance Report
For the year ended
31 December 2020

Note 2 : Analysis of Expenses

Expense Item	Analysis	2020	2019
		\$	\$
Volunteer and employee related costs	Learning Resources Salaries and Wages	925,390	884,019
	Wages Admin	117,756	127,854
	Teaching Development	18,208	16,998
	Staff Recruitment	1,822	1,488
	ACC Levies	1,430	2,952
	Council Expenses	763	2,537
Total		1,065,369	1,035,848

Expense Item	Analysis	2020	2019
		\$	\$
Costs related to providing goods or services	Audit fees	3,141	6,979
	Communications	6,098	5,184
	Consumables	23,783	23,226
	General Expenses	18,322	21,303
	Overdraft Interest	12,600	16,390
	Mortgage Interest	25,779	18,448
	Caretaking & Cleaning Consumables	5,923	5,037
	Heat Light and Water	4,834	5,595
	Insurance	74,035	41,948
	Repairs and Maintenance	22,523	20,670
	Rates	7,880	7,829
	Contract Work	33,469	27,430
	Teaching Resources	30,255	34,014
	Total	268,642	234,053

Expense Item	Analysis	2020	2019
		\$	\$
Other expenses	Depreciation	364,974	282,905
	Use of Land and Buildings	351,403	377,232
Total		716,377	660,137

Wa Ora Montessori School
Notes to the Performance Report
For the year ended
31 December 2020

Note 3 : Analysis of Assets and Liabilities

Asset Item		Analysis	2020	2019
Bank accounts and cash		ASB Bank Account	\$	\$
		Petty Cash	814,706	447,675
			200	200
		Total	814,906	447,875
Asset Item		Analysis	2020	2019
Debtors and prepayments		Accounts Receivable	\$	\$
		Prepayments	91,978	71,671
			4,628	2,428
		Total	96,606	74,099
Asset Item		Analysis	2020	2019
Other non-current assets		Building work in progress	\$	\$
			10,033	5,382
		Total	10,033	5,382
Liability Item		Analysis	2020	2019
Creditors and accrued expenses		GST Payable	\$	\$
		Trade and other payables	35,565	29,213
		Payable to Trust	25,341	22,299
		Payable to Board of Trustees	47,980	9,535
			(1,287)	1,787
		Total	107,599	62,834
Liability Item		Analysis	2020	2019
Employee costs payable		Holiday pay accrual	\$	\$
		PAYE	3,354	1,188
		Kiwi Saver	21,804	22,261
			2,287	2,387
		Total	27,445	25,836
Liability Item		Analysis	2020	2019
Operational grants in advance		Operational grants in advance	\$	\$
		Other grants or donations in advance	69,285	76,049
			-	-
		Total	69,285	76,049
Liability Item		Analysis	2020	2019
Other current liabilities		Fees in advance	\$	\$
		ASB Bank revolving credit facility	13,676	27,190
		ASB Loans	-	201,768
		Bonds	871,330	248,388
			3,000	3,000
		Total	888,006	480,346
Liability Item		Analysis	2020	2019
Loans		ASB Loans	\$	\$
			-	500,000
		Total	-	500,000
Liability Item		Analysis	2020	2019
Other non-current liabilities		Bonds	\$	\$
			118,000	113,000
		Total	118,000	113,000

Wa Ora Montessori School
Notes to the Performance Report
For the year ended
31 December 2020

Note 4 : Property, Plant and Equipment

2020					
Asset Class*	Opening Carrying Amount*	Purchases	Sales/Disposals	Current Year Depreciation and Impairment*	Closing Carrying Amount*
Land*	940,000			-	940,000
Buildings*	5,281,408			317,739	4,963,669
Motor Vehicles*	-				-
Furniture and fixtures*	18,967	1,661		8,692	11,936
Office equipment*	72,273	3,943		19,543	56,673
Computers (including software)*	10,877	7,961		11,484	7,354
Machinery*	2,664	501		270	2,895
Heritage assets	65,784	4,707		7,246	63,245
Total	6,391,973	18,773	-	364,974	6,045,772

2019					
Asset Class*	Opening Carrying Amount*	Purchases	Sales/Disposals	Current Year Depreciation and Impairment*	Closing Carrying Amount*
Land*	940,000				940,000
Buildings*	3,896,676	1,621,401		236,669	5,281,408
Motor Vehicles*	0				-
Furniture and fixtures*	26,233	1,112		8,378	18,967
Office equipment*	82,699	9,487		19,913	72,273
Computers (including software)*	20,490	1,120		10,733	10,877
Machinery*	2,641	287		264	2,664
Heritage assets	70,962	1,770		6,948	65,784
Total	5,039,701	1,635,177	-	282,905	6,391,973

Wa Ora Montessori School
Notes to the Performance Report
For the year ended
31 December 2020

Note 5: Accumulated Funds

2020				
Description*	Capital Contributed by Owners or Members*	Accumulated Surpluses or Deficits*	Reserves*	Total*
Opening Balance	-	5,661,264	-	5,661,264
Capital contributed by owners or members*	-			-
Capital returned to owners or members*	-			-
Surplus/(Deficit)*		95,718		95,718
Distributions paid to owners or members*		-		-
Transfer to Reserves*		-	-	
Transfer from Reserves*		-	-	
Closing Balance	-	5,756,982	-	5,756,982

2019				
Description*	Capital Contributed by Owners or Members*	Accumulated Surpluses or Deficits*	Reserves*	Total*
Opening Balance	-	5,139,234	-	5,139,234
Capital contributed by owners or members*				-
Capital returned to owners or members*				-
Surplus/(Deficit)*		522,030		522,030
Distributions paid to owners or members*		-		-
Transfer to Reserves*		-	-	
Transfer from Reserves*		-	-	
Closing Balance	-	5,661,264	-	5,661,264

Wa Ora Montessori School
Notes to the Performance Report

For the year ended
31 December 2020

Note 6 : Commitments and Contingencies

Commitment*	Explanation and Timing*
--------------------	--------------------------------

Commitments to lease or rent assets*	A contract was entered into in 2016 for the use of 2 copiers
	for 5 years (with costs to be split 25:75 between the
	Proprietor and the Board of Trustees). There is no minimum
	lease payments under this contract but total costs of \$1,627
	were incurred by the Proprietor in 2020. (2019: Total costs of
	\$1,871 were incurred by the Proprietors.

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (2019 - nil)

Wa Ora Montessori School
Notes to the Performance Report
For the year ended
31 December 2020

Notes 7-9

Note 7: Other

Assets Used as Security for Liabilities*

Nature and Amount of Borrowing*		Nature and Amount of Asset Used as Security*	
ASB Loans - Current Portion	\$871,330	All ASB Loans are secured by registered mortgage over the properties at:	
ASB Loans - Term Portion	\$0	- 175 Rata Street, Naenae, Lower Hutt	
Total	\$871,330	- 278 Waddington Drive, Naenae, Lower Hutt	
		- 3/276 Waddington Drive, Naenae, Lower Hutt	
		The net book value of these properties as included in Property, Plant and Equipment at 31 December 2020 was \$4,963,669	

Note 8: Related Party Transactions*

Note 8: Related Party Transactions*		2020	2019
		\$	\$
Description of Related Party Relationship*	Description of the Transaction (whether in cash or amount in kind)*	Value of Transactions*	Value of Transactions*
The Wa Ora Montessori Charitable Trust (the "Trust") and Wa Ora Montessori School Inc (the "Council") are related parties due to their common membership. Parent donations are collected by the Council for the Trust. This service is provided free of charge. The Council then received donations back from the Trust.	Donations from Trust	\$0	\$467,410
The Proprietor (Wa Ora Montessori School Inc) is a related party to the Wa Ora Montessori School Board of Trustees because the Proprietor appoints representatives to the Board, giving the Proprietor significant influence over the Board.	Use of land and buildings notional revenue and expense	\$358,015	\$377,232

Note 9: Events After the Balance Date*

Events After the Balance Date:

There were no events that have occurred after the balance date that would have a material impact on the Performance Report. (2019 Nil)