

TE KURA O TE PAROA

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 1888

Principal: Erin Te Pou

School Address: 34 Paroa Road

School Postal Address: 34 Paroa Road, RD 1, Whakatane, 3191

School Phone: 07 308 6652

School Email: janet@paroa.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Kelly Hohapata	Chairperson	Elected	Jun-25
Erin Te Pou	Principal	ex Officio	Jun-25
Marama Studer	Parent Representative	Elected	Jun-25
Kylie Kinghazel	Parent Representative	Elected	Jun-25
Dwayne Hudson	Parent Representative	Elected	Jun-25
Haruru Douglas	Parent Representative	Elected	Jun-25
Aroha Black	Staff Representative	Elected	Jun-25

Accountant / Service Provider: Ake Accounting

TE KURA O TE PAROA

Annual Report - For the year ended 31 December 2022

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Te Kura o Te Paroa

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	3,724,168	1,157,477	3,446,679
Locally Raised Funds	3	44,263	26,200	158,023
Interest Income		23,985	10,000	11,220
Gain on Sale of Property, Plant and Equipment		522	-	261
Total Revenue		3,792,938	1,193,677	3,616,183
Expenses				
Locally Raised Funds	3	42,256	3,000	69,270
Learning Resources	4	2,379,535	601,247	2,190,338
Administration	5	498,427	193,105	448,266
Finance		523	400	1,214
Property	6	453,563	114,483	462,945
Other Expenses	7	205,379	209,228	189,383
		3,582,843	1,121,463	3,361,416
Net Surplus / (Deficit) for the year		210,095	72,214	254,767
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		210,095	72,214	254,767

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

Te Kura o Te Paroa

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		2,258,329	(72,214)	2,003,562
Total comprehensive revenue and expense for the year		210,095	72,214	254,767
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		14,118	-	-
Equity at 31 December		2,482,542	-	2,258,329
Accumulated comprehensive revenue and expense		2,482,542	-	2,258,329
Equity at 31 December		2,482,542	-	2,258,329

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.

Te Kura o Te Paroa

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	8	78,919	-	195,818
Accounts Receivable	9	370,309	-	381,257
GST Receivable		31,738	-	21,344
Prepayments		4,971	-	6,385
Inventories	10	3,058	-	3,820
Investments	11	1,454,515	-	1,348,107
Funds Receivable for Capital Works Projects	18	83,956	-	9,892
		2,027,466	-	1,966,623
Current Liabilities				
Accounts Payable	13	247,791	-	216,035
Revenue Received in Advance	14	3,178	-	2,583
Provision for Cyclical Maintenance	15	10,925	-	10,925
Finance Lease Liability	16	3,304	-	7,288
Funds Held in Advance for Other Projects	17	8,080	-	-
Funds Held for Capital Works Projects	18	9,675	-	224,773
		282,953	-	461,604
Working Capital Surplus/(Deficit)		1,744,513	-	1,505,019
Non-current Assets				
Property, Plant and Equipment	12	752,017	-	762,772
		752,017	-	762,772
Non-current Liabilities				
Finance Lease Liability	16	13,988	-	9,462
		13,988	-	9,462
Net Assets		2,482,542	-	2,258,329
Equity		2,482,542	-	2,258,329

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

Te Kura o Te Paroa

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		1,718,527	1,085,263	1,496,252
Locally Raised Funds		(10,205)	26,200	(9,879)
Goods and Services Tax (net)		(10,394)	-	(16,224)
Payments to Employees		(506,748)	(482,957)	(493,692)
Payments to Suppliers		(865,945)	(519,441)	(607,583)
Interest Paid		(368)	(400)	(691)
Interest Received		28,121	10,000	10,478
Net cash from/(to) Operating Activities		352,988	118,665	378,661
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		522	-	4,261
Purchase of Property Plant & Equipment (and Intangibles)		(84,281)	(118,665)	(193,437)
Purchase of Investments		(106,408)	-	(187,112)
Net cash from/(to) Investing Activities		(190,167)	(118,665)	(376,288)
Cash flows from Financing Activities				
Finance Lease Payments		(12,756)	-	(4,450)
Painting contract payments		-	-	(3,414)
Funds Held for Capital Works		(281,082)	-	(70,969)
Net cash from/(to) Financing Activities		(279,720)	-	(78,833)
Net increase/(decrease) in cash and cash equivalents		(116,899)	-	(76,460)
Cash and cash equivalents at the beginning of the year	8	195,818	-	272,278
Cash and cash equivalents at the end of the year	8	78,919	-	195,818

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 notes which form part of these financial statements.

Te Kura o Te Paroa

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Te Kura o Te Paroa (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 is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

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 expense 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

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

Useful lives of property, plant and equipment

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

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. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 16.

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.

Other Ministry Grants for directly funded programs are recorded as revenue when the School has the rights to the funding in the period they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings 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. 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 revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

Other Grants where conditions exist

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

Donations, Gifts and Bequests

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

Interest Revenue

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

d) 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.

e) 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.

f) 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.

g) Accounts Receivable

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

h) Inventories

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

i) 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.

j) 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 (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

k) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licenses with individual values under \$100.00 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

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

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. 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.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc)].

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. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

m) Accounts Payable

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

n) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in surplus or deficit in the period in which they arise.

o) Revenue Received in Advance

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

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

p) Funds Held in Trust

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

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

q) Funds held for Capital works

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Revenue and Expense.

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

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTLB programme), all income and expenditure related to the provision of the service is recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

s) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The school carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan. The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

u) Borrowings

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

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

v) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

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

u) 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.

2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	1,122,354	1,025,430	1,069,572
Teachers' Salaries Grants	1,809,637	-	1,663,945
Use of Land and Buildings Grants	264,998	-	243,896
Other Government Grants	527,179	132,047	469,266
	<u>3,724,168</u>	<u>1,157,477</u>	<u>3,446,679</u>

The school has opted in to the donations scheme for this year. Total amount received was \$43,500.

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequest Grants	1,172	-	46,424
Activities	28,390	-	76,949
Fees for Extra Curricular Activities	-	7,000	-
Trading	683	1,000	2,935
Fundraising & Community Grants	51	18,200	25,422
Other Revenue	13,967	-	6,293
	<u>44,263</u>	<u>26,200</u>	<u>158,023</u>
Expenses			
Activities	41,093	500	68,084
Fees for Extra Curricular Activities	-	-	-
Trading	(313)	2,500	1,186
Fundraising and Community Grant Costs	1,476	-	-
	<u>42,256</u>	<u>3,000</u>	<u>69,270</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>2,007</u>	<u>23,200</u>	<u>88,753</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	83,487	93,136	61,814
Equipment Repairs	4,523	500	175
Information and Communication Technology	5,853	13,000	4,592
Employee Benefits - Salaries	2,147,717	343,566	2,021,733
Staff Development	25,876	32,380	15,889
Depreciation	112,079	118,665	86,135
	<u>2,379,535</u>	<u>601,247</u>	<u>2,190,338</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	6,559	6,105	5,680
Board Fees	4,994	4,455	4,071
Board Expenses	4,382	6,820	6,930
Communication	6,364	6,452	5,445
Consumables	5,984	4,600	4,704
Other	312,550	36,710	298,288
Employee Benefits - Salaries	142,905	110,228	108,048
Insurance	5,589	6,455	5,128
Service Providers, Contractors and Consultancy	9,100	11,280	9,972
	<u>498,427</u>	<u>193,105</u>	<u>448,266</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	3,354	3,000	4,008
Consultancy and Contract Services	47,191	47,400	41,508
Grounds	13,955	4,100	3,745
Heat, Light and Water	17,977	13,000	13,074
Repairs and Maintenance	81,876	16,620	126,178
Use of Land and Buildings	264,998	-	243,896
Security	1,892	1,200	1,581
Employee Benefits - Salaries	22,320	29,163	28,955
	<u>453,563</u>	<u>114,483</u>	<u>462,945</u>

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

7. Other Expenses

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Transport	205,379	209,228	189,383
	<u>205,379</u>	<u>209,228</u>	<u>189,383</u>

8. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	78,919	-	195,618
Cash on Hand	-	-	200
Cash and cash equivalents for Statement of Cash Flows	<u>78,919</u>	<u>-</u>	<u>195,818</u>

Of the \$78,920 Cash and Cash Equivalents and the \$1,454,514 Investments, \$9,675 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2021 on Crown owned school buildings.

9. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	222,432	-	167,964
Receivables from the Ministry of Education	-	-	31,932
Interest Receivable	-	-	4,136
Banking Staffing Underuse	-	-	42,850
Teacher Salaries Grant Receivable	147,877	-	134,375
	<u>370,309</u>	<u>-</u>	<u>381,257</u>
Receivables from Exchange Transactions	222,432	-	172,100
Receivables from Non-Exchange Transactions	147,877	-	209,157
	<u>370,309</u>	<u>-</u>	<u>381,257</u>

10. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	2,698	-	2,041
School Uniforms	360	-	1,779
	<u>3,058</u>	<u>-</u>	<u>3,820</u>

11. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	1,454,515	-	1,348,107
Total Investments	<u>1,454,515</u>	<u>-</u>	<u>1,348,107</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	453,280		(600)		(13,066)	439,614
Furniture and Equipment	175,483	64,150	(1,532)		(37,556)	200,545
Information and Communication Technology	105,577	27,193			(46,917)	85,853
Leased Assets	24,128	13,143			(14,131)	23,140
Library Resources	4,304		(1,029)		(409)	2,866
Balance at 31 December 2022	762,772	104,486	(3,160)	-	(112,079)	752,019

The net carrying value of equipment held under a finance lease is \$23,140. (2021: \$24,128)

Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	821,776	(382,162)	439,614	823,559	(370,279)	453,280
Furniture and Equipment	516,904	(316,360)	200,544	491,873	(316,390)	175,483
Information and Communication Tr	308,527	(222,674)	85,853	281,935	(176,358)	105,577
Motor Vehicles	51,764	(51,764)	-	51,764	(51,764)	-
Leased Assets	95,038	(71,898)	23,140	81,895	(57,767)	24,128
Library Resources	30,226	(27,360)	2,866	32,939	(28,635)	4,304
Balance at 31 December	1,824,235	(1,072,218)	752,017	1,763,965	(1,001,193)	762,772

13. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	88,349	-	72,288
Accruals	6,105	-	5,928
Capital Accrual for PPE Items	-	-	3,444
Employee Entitlements - Salaries	147,877	-	134,375
Employee Entitlements - Leave Accrual	-	-	-
Banking Staffing Overuse	5,460	-	-
	<u>247,791</u>	<u>-</u>	<u>216,035</u>
Payables for Exchange Transactions	247,791	-	216,035
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)			
Payables for Non-exchange Transactions - Other			
	<u>247,791</u>	<u>-</u>	<u>216,035</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Whanau Fees Account	3,178	-	-
Senior Haerenga 2020 Year	-	-	2,583
	<u>3,178</u>	<u>-</u>	<u>2,583</u>

15. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	10,925	10,925	60,211
Use of the Provision During the Year	-	-	(65,932)
Provision at the End of the Year	<u>10,925</u>	<u>10,925</u>	<u>(5,721)</u>
Cyclical Maintenance - Current	10,925	-	10,925
	<u>10,925</u>	<u>-</u>	<u>10,925</u>

16. Finance Lease Liability

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

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	3,304		7,288
Later than One Year and no Later than Five Years	13,988		9,462
	<u>17,292</u>	-	<u>16,750</u>
Represented by			
Finance lease liability - Current	3,304		7,288
Finance lease liability - Non current	13,988		9,462
	<u>17,292</u>	-	<u>16,750</u>

17. Funds Held in Advance for Other Projects

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Funds held in advance for Other Projects - Current	8,080	-	-
	<u>8,080</u>	-	<u>-</u>

18. 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. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 8.

	2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
B Block Heat Pumps		(7,962)				(7,962)
F Block Demolition - 214963		(887)				(887)
School Rebuild - 218062		(43)		(6,250)		(6,293)
P Block & Library - 218067		-	15,483	(14,782)		701
Sustainablitiy - 225666		(1,000)	-	(26,987)		(27,987)
Gym/Hall Heating - 233093		93,222	3,138	(87,386)		8,974
Pool & Changing Rooms - 233094		131,551	97,621	(188,345)		(40,827)
Totals		214,881	116,242	(323,750)	-	(74,281)

Represented by:

Funds Held on Behalf of the Ministry of Education	9,675
Funds Receivable from the Ministry of Education	(83,956)

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
B Block Heat Pumps		(7,962)				(7,962)
F Block Demolition - 214963		(21,556)	20,669			(887)
School Rebuild - 218062		59,802		(59,845)		(43)
Sustainablitiy - 225666		30,794		(31,794)		(1,000)
Gym/Hall Heating - 233093		-	101,100	(7,878)		93,222
Pool & Changing Rooms - 233094		-	135,841	(4,290)		131,551
Totals		61,078	257,610	(103,807)	-	214,881

Represented by:

Funds Held on Behalf of the Ministry of Education	224,773
Funds Receivable from the Ministry of Education	(9,892)

19. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

20. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	4,994	4,071
	0.52	0.52
<i>Leadership Team</i>		
Remuneration	414,545	408,392
Full-time equivalent members	4	4
Total key management personnel remuneration	<u>419,539</u>	<u>412,463</u>

There are five members of the Board excluding the Principal. The Board had held 12 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	150-160
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	3.00	4.00
	<u>3.00</u>	<u>4.00</u>

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

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: Nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of boards, 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. 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 2022, a contingent liability for the school may exist.

22. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into contract agreements for capital works as follows:

- (a) The contract for B Block Heat Pumps has been completed which was fully funded by the Ministry of Education. \$7962 is due from the Ministry of Education; and
- (b) The contract for Block F Demolition as agent for the Ministry of Education has been completed. This project was fully funded by the Ministry and \$887 is due from the Ministry of Education; and
- (c) The contract for School Rebuild #218062 has been completed which was fully funded by the Ministry and \$6,293 is due from the Ministry of Education.
- (d) The contract for Sustainability #225666 has been completed which was fully funded by the Ministry of Education. \$15,708 is due from the Ministry of Education; and
- (e) A contract for Heating of Gym & Hall #233093 has been approved and fully funded by the Ministry of Education. \$8,974 is due to the Ministry of Education; and
- (f) A contract for the Pool & Changing Rooms #233094 has been approved and fully funded by the Ministry of Education. \$40,827 is due from the Ministry of Education; and
- (g) A contract for P Block & Library #218067 as agent for the Ministry of Education. The project is fully funded by the Ministry of Education and \$15,483 has been received of which \$14,782 has been spent on the project to balance date.

(Capital commitments at 31 December 2021: Nil)

(b) Operating Commitments

As at 31 December 2022 the Board has entered into the following contracts:

- (a) operating lease of a EFTPOS Machine;

No later than One Year

	2022 Actual \$	2021 Actual \$
	545	522
	<u>545</u>	<u>522</u>

The total lease payments incurred during the period were \$545 (2021: \$522).

23. 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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	78,919	-	195,818
Receivables	370,309	-	381,257
Investments - Term Deposits	1,454,515	-	1,348,107
Total Financial assets measured at amortised cost	<u>1,903,743</u>	<u>-</u>	<u>1,925,182</u>

Financial liabilities measured at amortised cost

Payables	247,791	-	216,035
Finance Leases	17,292	-	16,750
Total Financial Liabilities Measured at Amortised Cost	<u>265,083</u>	<u>-</u>	<u>232,785</u>

24. Events After Balance Date

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