

KIO KIO SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	1779
Principal:	Kevin Jones
School Address:	1701 SH3-Otorohanga Road, Otorohanga
School Postal Address:	1701 Otorohanga Road, RD4, Otorohanga 3974
School Phone:	07 8731816
School Email:	admin@kiokio.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Karen Thompson	Presiding Member	Re-elected Aug 2022	Jun-25
Kevin Jones	Principal ex Officio	Re-elected Aug 2022	Jun-25
Michelle Anselmi	Parent Representative	Re-elected Aug 2022	Jun-25
Natalie McMullan	Parent Representative	Re-elected Aug 2022	Jun-25
Charlie Telfer	Parent Representative	Elected Aug 2022	Jun-25
Paul Fleming	Parent Representative	Elected Aug 2022	Jun-25
Wayne Lupton	Parent Representative	Re-elected Aug 2022	Jun-25
Helen Twentyman	Staff Representative	Re-elected Aug 2022	Jun-25
Julian Usher	Parent Representative	Re-elected Jun 2019	Jun-22
Fiona Prescott	Parent Representative	Elected Jun 2019	Jun-22
Tracy Griffin	Parent Representative	Re-elected Jun 2019	Jun-22

Accountant / Service Provider: Bailey Ingham Limited

KIO KIO SCHOOL

Annual Report - For the year ended 31 December 2022

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Kio Kio School

Statement of Responsibility

For the year ended 31 December 2022

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the school.

The School's 2022 financial statements are authorised for issue by the Board.

Karen Joy Thompson
Full Name of Presiding Member

Kevin Ross Jones
Full Name of Principal

K Thompson
Signature of Presiding Member

K.R. Jones
Signature of Principal

11.10.23
Date:

11.10.23
Date:

Kio Kio School
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	1,522,279	1,481,461	1,310,208
Locally Raised Funds	3	67,085	54,750	90,642
Interest Income		1,571	150	234
Total Revenue		1,590,935	1,536,361	1,401,084
Expenses				
Locally Raised Funds	3	43,812	39,400	42,882
Learning Resources	4	1,167,886	1,154,170	1,044,703
Administration	5	105,777	80,900	82,628
Finance		556	-	600
Property	6	298,934	291,250	254,942
		1,616,965	1,565,720	1,425,755
Net Surplus / (Deficit) for the year		(26,030)	(29,359)	(24,671)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(26,030)	(29,359)	(24,671)

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



Kio Kio School

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		584,738	584,738	609,409
Total comprehensive revenue and expense for the year		(26,030)	(29,359)	(24,671)
Equity at 31 December		558,708	555,379	584,738
Accumulated comprehensive revenue and expense		558,708	555,379	584,738
Equity at 31 December		558,708	555,379	584,738

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.



Kio Kio School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	8	169,608	122,079	126,485
Accounts Receivable	9	158,575	147,000	72,132
Prepayments		3,239	-	2,993
Inventories	10	1,861	1,800	1,459
Investments	11	4,100	4,100	4,400
		<u>337,383</u>	<u>274,979</u>	<u>207,469</u>
Current Liabilities				
GST Payable		8,954	9,500	8,821
Accounts Payable	14	214,446	186,000	85,485
Revenue Received in Advance	16	7,996	800	379
Provision for Cyclical Maintenance	17	28,917	28,900	-
Finance Lease Liability	18	7,392	7,300	9,720
Funds held for Capital Works Projects	20	28,911	-	31,228
		<u>296,616</u>	<u>232,500</u>	<u>135,633</u>
Working Capital Surplus/(Deficit)		40,767	42,479	71,836
Non-current Assets				
Property, Plant and Equipment	12	529,144	524,000	555,774
		<u>529,144</u>	<u>524,000</u>	<u>555,774</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	17	9,989	9,900	34,266
Finance Lease Liability	18	1,213	1,200	8,606
		<u>11,202</u>	<u>11,100</u>	<u>42,872</u>
Net Assets		<u>558,709</u>	<u>555,379</u>	<u>584,738</u>
Equity		<u>558,708</u>	<u>555,379</u>	<u>584,738</u>

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



Kio Kio School

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		372,343	326,097	305,974
Locally Raised Funds		1,305	(17,748)	91,153
Goods and Services Tax (net)		133	3,500	(9,525)
Payments to Employees		(249,714)	(223,000)	(227,476)
Payments to Suppliers		(59,383)	(63,020)	(149,104)
Interest Paid		(556)	-	(600)
Interest Received		1,479	150	216
Net cash from/(to) Operating Activities		65,607	25,979	10,638
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(13,400)	(21,500)	(59,185)
Proceeds from Sale of Investments		300	-	300
Net cash from/(to) Investing Activities		(13,100)	(21,200)	(58,885)
Cash flows from Financing Activities				
Finance Lease Payments		(7,068)	(8,800)	(6,827)
Funds Administered on Behalf of Third Parties		(2,316)	-	(7,479)
Net cash from/(to) Financing Activities		(9,384)	(8,800)	(14,306)
Net increase/(decrease) in cash and cash equivalents		43,123	(4,021)	(62,553)
Cash and cash equivalents at the beginning of the year	8	126,485	126,100	189,038
Cash and cash equivalents at the end of the year	8	169,608	122,079	126,485

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.



Kio Kio School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Kio Kio 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 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 17.

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 18. Future operating lease commitments are disclosed in note 24b.

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) 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.

e) 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.

f) 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.

g) 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.

h) 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.

i) 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	40 years SL
Board Owned Buildings	40years SL
Furniture and equipment	20% DV
Information and communication technology	20% DV
Motor vehicles	20% DV
Leased assets held under a Finance Lease	Term of Lease SL
Library resources	12.5% Diminishing value



j) 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.

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.

k) 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.

l) 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.

m) 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.

n) Revenue Received in Advance

Revenue received in advance relates to fees received from students 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, should the School be unable to provide the services to which they relate.

o) 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.



p) 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 schools 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 established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

q) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

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.

r) 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.

s) 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.

t) 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	368,402	326,461	313,630
Teachers' Salaries Grants	925,232	930,000	806,350
Use of Land and Buildings Grants	225,044	225,000	190,228
Other Government Grants	3,601	-	-
	<u>1,522,279</u>	<u>1,481,461</u>	<u>1,310,208</u>

The school has not opted in to the donations scheme for this year.

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 & Bequests	23,520	15,000	50,827
Fees for Extra Curricular Activities	29,192	31,000	31,794
Trading	10,521	8,200	7,519
Fundraising & Community Grants	3,852	550	502
	<u>67,085</u>	<u>54,750</u>	<u>90,642</u>
Expenses			
Extra Curricular Activities Costs	33,416	32,500	35,085
Trading	8,132	6,900	7,316
Fundraising and Community Grant Costs	2,264	-	481
	<u>43,812</u>	<u>39,400</u>	<u>42,882</u>

4. Learning Resources

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Curricular	12,829	16,120	11,119
Information and Communication Technology	3,624	12,000	1,446
Library Resources	91	250	347
Employee Benefits - Salaries	1,107,093	1,093,300	984,304
Staff Development	2,033	6,000	4,420
Depreciation	42,216	26,500	43,067
	<u>1,167,886</u>	<u>1,154,170</u>	<u>1,044,703</u>



5. Administration

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Audit Fee	4,293	5,000	7,499
Board Fees	4,050	5,000	4,320
Board Expenses	1,894	500	548
Communication	2,099	2,000	2,056
Consumables	18,636	11,000	14,248
Other	6,543	9,950	8,804
Employee Benefits - Salaries	58,317	41,450	41,317
Insurance	7,895	4,000	1,886
Service Providers, Contractors and Consultancy	2,050	2,000	1,950
	<u>105,777</u>	<u>80,900</u>	<u>82,628</u>

6. Property

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	3,474	3,500	2,815
Consultancy and Contract Services	23,770	18,150	22,659
Cyclical Maintenance Provision	4,640	6,000	4,640
Grounds	9,353	9,500	7,409
Heat, Light and Water	13,646	12,000	9,199
Repairs and Maintenance	3,607	3,600	4,641
Use of Land and Buildings	225,044	225,000	190,228
Security	1,328	1,500	717
Employee Benefits - Salaries	14,072	12,000	12,634
	<u>298,934</u>	<u>291,250</u>	<u>254,942</u>

The use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Cash and Cash Equivalents

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Bank Accounts	169,608	122,079	126,485
Cash and cash equivalents for Statement of Cash Flows	<u>169,608</u>	<u>122,079</u>	<u>126,485</u>

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

Of the \$169,608 Cash and Cash Equivalents, \$28,911 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 2023 on Crown owned school buildings.



9. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Receivables	2,633	74,000	1,155
Receivables from the Ministry of Education	71,920	-	5,180
Interest Receivable	110	-	18
Teacher Salaries Grant Receivable	83,912	73,000	65,779
	<u>158,575</u>	<u>147,000</u>	<u>72,132</u>
Receivables from Exchange Transactions	2,743	74,000	1,173
Receivables from Non-Exchange Transactions	155,832	73,000	70,959
	<u>158,575</u>	<u>147,000</u>	<u>72,132</u>

10. Inventories

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Stationery	489	450	605
School Uniforms	1,372	1,350	854
	<u>1,861</u>	<u>1,800</u>	<u>1,459</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	4,100	4,100	4,400
	<u>4,100</u>	<u>4,100</u>	<u>4,400</u>



12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Buildings	476,210				(18,935)	457,275
Furniture and Equipment	35,371	7,608			(8,014)	34,965
Information and Communication Technology	19,053	6,909			(4,387)	21,575
Motor Vehicles	577				(115)	462
Leased Assets	12,724				(9,274)	3,450
Library Resources	11,839	1,069			(1,491)	11,417
Balance at 31 December 2022	555,774	15,586	-	-	(42,216)	529,144

The net carrying value of equipment held under a finance lease is \$3,450 (2021: \$12,724)

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	703,317	(246,043)	457,274	703,317	(227,107)	476,210
Furniture and Equipment	190,798	(155,832)	34,966	183,189	(147,818)	35,371
Information and Communication T	79,728	(58,152)	21,576	72,819	(53,766)	19,053
Motor Vehicles	28,444	(27,983)	461	28,444	(27,867)	577
Leased Assets	44,108	(40,658)	3,450	44,108	(31,384)	12,724
Library Resources	51,320	(39,903)	11,417	50,251	(38,412)	11,839
Balance at 31 December	1,097,715	(568,571)	529,144	1,082,128	(526,354)	555,774

14. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	113,630	113,000	8,107
Accruals	4,937	-	4,168
Banking Staffing Overuse	6,744	-	-
Employee Entitlements - Salaries	86,719	73,000	70,858
Employee Entitlements - Leave Accrual	2,416	-	2,352
	214,446	186,000	85,485
Payables for Exchange Transactions	214,446	186,000	85,485
	214,446	186,000	85,485

The carrying value of payables approximates their fair value.



16. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Other revenue in Advance	7,996	800	379
	<u>7,996</u>	<u>800</u>	<u>379</u>

17. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	34,266	34,266	29,626
Increase to the Provision During the Year	104,810	6,000	4,640
Provision at the End of the Year	<u>139,076</u>	<u>40,266</u>	<u>34,266</u>
Cyclical Maintenance - Current	28,917	28,900	-
Cyclical Maintenance - Non current	9,989	9,900	34,266
	<u>38,906</u>	<u>38,800</u>	<u>34,266</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan

18. Finance Lease Liability

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
No Later than One Year	7,392	19,968	9,720
Later than One Year and no Later than Five Years	1,213	34,232	8,606
	<u>8,605</u>	<u>54,200</u>	<u>18,326</u>
Represented by			
Finance lease liability - Current	7,392	14,000	9,720
Finance lease liability - Non current	1,213	24,000	8,606
	<u>8,605</u>	<u>38,000</u>	<u>18,326</u>



20. 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 9.

	2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
SIP, AMS & 5YA	220963	31,228	332,539	(334,856)	-	28,911
Totals		31,228	332,539	(334,856)	-	28,911

Represented by:

Funds Held on Behalf of the Ministry of Education 28,911

	2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
SIP, AMS & 5YA	220963	38,708	-	(7,479)	-	31,228
Court Resurfacing	220966	-	15,000	(69,100)	54,100	-
Totals		38,708	15,000	(76,579)	54,100	31,228

Represented by:

Funds Held on Behalf of the Ministry of Education 31,228

21. 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.

Fiona Prescott was a Board member and is related to the owner of Pat Prescott Limited. During the year the School agreed to purchase a Van from Pat Prescott Ltd. The total value of all transactions for the year was \$2,325 (2021: nil) and \$46,957 amount is outstanding as at balance date (Prior Period: nil).

Because this amount is in excess of \$25,000 (excl GST), these transactions have resulted in non-compliance with s10 of Schedule 23 of the Education and Training Act 2020, as referred to in note 28. The School has requested retrospective approval and is currently awaiting a decision by the Ministry.



22. 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	4,050	4,320
 <i>Leadership Team</i>		
Remuneration	233,855	224,476
Full-time equivalent members	2	2
 Total key management personnel remuneration	237,905	228,796

There are 8 members of the Board excluding the Principal. The Board had held 9 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding member 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 1

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	130 - 140	120 - 130
Benefits and Other Emoluments	0 - 5	0 - 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	1.00	1.00
	1.00	1.00

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



22. Compensation and Other Benefits Upon Leaving

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

	2022 Actual	2021 Actual
Total	-	-
Number of People	-	-

23. 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.

The Ministry of Education provided additional funding for both the Support Staff in School's Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School has not been notified of the final wash up calculation relating to 31 December 2022. The final calculations impact on the financial statements is unable to be determined at the date of reporting.

24. Commitments

(a) Capital Commitments

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

(a) \$367,461 contract for SIP,AMS & 5YA to be completed in 2023, which will be fully funded by the Ministry of Education. \$375,199 has been received of which \$346,287 has been spent on the project to date

(b) \$49,282 contract to purchase a van, to be paid in 2023, fully funded by the board. Of which \$2,325 has been spent as at balance date.

(Capital commitments at 31 December 2021: \$367,461 contract for SIP,AMS & 5YA to be completed in 2023, which will be fully funded by the Ministry of Education. \$42,659 has been received of which \$11,431 has been spent on the project to date)

(b) Operating Commitments

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

	2022 Actual \$	2021 Actual \$
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	-



25. 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	169,608	122,079	126,485
Receivables	158,575	147,000	72,132
Investments - Term Deposits	4,100	4,100	4,400
Total Financial assets measured at amortised cost	<u>332,283</u>	<u>273,179</u>	<u>203,017</u>

Financial liabilities measured at amortised cost

Payables	214,446	186,000	85,485
Borrowings - Loans	-	-	-
Finance Leases	8,605	8,500	18,326
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>223,051</u>	<u>194,500</u>	<u>103,811</u>

26. Events After Balance Date

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

27. Comparatives

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

28. Non-Compliance with Legislation

Non-Compliance with Clause 10, Schedule 23 of the Education and Training Act 2020. The Board of Trustees has not complied with clause 10, schedule 23 of the Education and Training Act 2020, as the Board has entered into contracts with a trustee that is greater than \$25,000 without obtaining prior approval from the secretary of education, as at balance date, referred to in note 21.

The School has applied for retrospective approval and is awaiting the results.

