

BATHGATE PARK SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 647

Principal: Katrina Robertson

School Address: 213 Macandrew Road, South Dunedin 9012

School Postal Address: 213 Macandrew Road, South Dunedin 9012

School Phone: 03 455 3421

School Email: principal@bathgate.school.nz

Members of the Board

	Position	How Position Gained	Term Expired/ Expires
Selena Pomeroy	Presiding Member	Elected	May-22
Katrina Robertson	Principal ex Officio		
Mark Tuten	Parent Representative	Elected	May-22
Sandy Ehler	Secretary		
Wendy Lipene	Staff Representative	Elected	May-22
Tracy Cameron	Parent Representative	Co-Opted	May-22
Troy Mihaka	Parent Representative	Co-Opted	May-22

Accountant / Service Provider: Moore Markhams Otago

BATHGATE PARK SCHOOL

Annual Report - For the year ended 31 December 2021

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 18	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Bathgate Park School

Statement of Responsibility

For the year ended 31 December 2021

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 2021 fairly reflects the financial position and operations of the school.

The School's 2021 financial statements are authorised for issue by the Board.

Selena Teresa Pomeroy
Full Name of Presiding Member

S. Pomeroy
Signature of Presiding Member

30/11/22
Date:

Kathina Robertson
Full Name of Principal

K.M. Robertson
Signature of Principal

30/11/22
Date:

Bathgate Park School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	2,099,659	1,999,100	2,186,691
Locally Raised Funds	3	67,668	70,464	42,128
Interest Income		965	996	1,316
Gain on Sale of Property, Plant and Equipment	10	480	-	-
		2,168,772	2,070,560	2,230,135
Expenses				
Locally Raised Funds	3	20,946	33,512	31,204
Learning Resources	4	1,484,477	1,363,888	1,435,324
Administration	5	254,714	115,800	208,687
Finance		2,323	-	2,436
Property	6	437,985	531,552	535,682
Depreciation	10	31,127	26,988	30,375
		2,231,572	2,071,740	2,243,708
Net Surplus / (Deficit) for the year		(62,800)	(1,180)	(13,573)
Total Comprehensive Revenue and Expense for the Year		(62,800)	(1,180)	(13,573)

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

Bathgate Park School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January	(72,927)	(72,927)	(61,229)
Total comprehensive revenue and expense for the year	(62,800)	(1,180)	(13,573)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	8,443	-	1,875
Equity at 31 December	(127,284)	(74,107)	(72,927)
Retained Earnings	(127,284)	(74,107)	(72,927)
Equity at 31 December	(127,284)	(74,107)	(72,927)

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.

Bathgate Park School

Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	7	152,125	119,546	120,726
Accounts Receivable	8	114,466	121,876	121,876
GST Receivable		-	13,653	13,653
Prepayments		4,383	5,450	5,450
Inventories	9	2,045	1,690	1,690
		<u>273,019</u>	<u>262,215</u>	<u>263,395</u>
Current Liabilities				
GST Payable		10,287	-	-
Accounts Payable	11	103,696	139,124	139,124
Revenue Received in Advance	12	214	5,030	5,030
Provision for Cyclical Maintenance	13	141,583	85,917	85,917
Finance Lease Liability	14	13,408	14,987	14,987
Funds held for Capital Works Projects	15	63,529	4,057	4,057
		<u>332,717</u>	<u>249,115</u>	<u>249,115</u>
Working Capital Surplus/(Deficit)		(59,698)	13,100	14,280
Non-current Assets				
Property, Plant and Equipment	10	86,912	90,635	90,635
		<u>86,912</u>	<u>90,635</u>	<u>90,635</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	142,167	168,750	168,750
Finance Lease Liability	14	12,331	9,092	9,092
		<u>154,498</u>	<u>177,842</u>	<u>177,842</u>
Net Assets		<u>(127,284)</u>	<u>(74,107)</u>	<u>(72,927)</u>
Equity		<u>(127,284)</u>	<u>(74,107)</u>	<u>(72,927)</u>

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

Bathgate Park School

Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		719,319	572,432	718,645
Locally Raised Funds		87,561	36,952	34,712
Goods and Services Tax (net)		23,941	-	(17,194)
Payments to Employees		(415,067)	(303,648)	(367,355)
Payments to Suppliers		(425,466)	(280,924)	(299,831)
Interest Paid		(2,323)	-	(1,874)
Interest Received		784	996	1,037
Net cash from/(to) Operating Activities		(11,251)	25,808	68,140
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		480	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(22,319)	(26,988)	(15,991)
Purchase of Investments		-	-	-
Proceeds from Sale of Investments		-	-	-
Net cash from/(to) Investing Activities		(21,839)	(26,988)	(15,991)
Cash flows from Financing Activities				
Furniture and Equipment Grant		8,443	-	1,875
Finance Lease Payments		(3,425)	-	(16,088)
Funds Administered on Behalf of Third Parties		59,471	-	(17,414)
Net cash from/(to) Financing Activities		64,489	-	(31,627)
Net increase/(decrease) in cash and cash equivalents		31,399	(1,180)	20,522
Cash and cash equivalents at the beginning of the year	7	120,726	120,726	100,204
Cash and cash equivalents at the end of the year	7	152,125	119,546	120,726

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.

Bathgate Park School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Bathgate Park 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

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

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 long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

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 10.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

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.

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 however 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

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

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 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

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) Property, Plant and Equipment

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

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

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

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 to Crown Owned Assets	20 years
Furniture and equipment	5-20 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	10 years

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 or licensing of software 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. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve 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

n) Revenue Received in Advance

Revenue received in advanced relates to fees received by Parents where there are 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.

o) 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

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 an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

p) 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 categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

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

q) 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

r) 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.

s) Budget Figures

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

t) 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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Operational Grants	416,991	428,440	468,581
Teachers' Salaries Grants	1,094,470	1,050,000	1,089,904
Use of Land and Buildings Grants	266,162	376,668	376,669
Other MoE Grants (Includes Healthy Lunches of \$135,728)	295,985	11,000	240,662
Other Government Grants	26,051	132,992	10,875
	<u>2,099,659</u>	<u>1,999,100</u>	<u>2,186,691</u>

The school has opted in to the donations scheme for this year. Total amount received was \$27,600.

3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Revenue			
Donations & Bequests	25,333	31,204	13,822
Curriculum related Activities - Purchase of goods and services	5,574	4,404	5,050
Fees for Extra Curricular Activities	12,085	16,500	12,894
Trading	3,715	3,848	3,057
Fundraising & Community Grants	5,491	2,004	824
Other Revenue	15,470	12,504	6,481
	<u>67,668</u>	<u>70,464</u>	<u>42,128</u>
Expenses			
Extra Curricular Activities Costs	13,645	16,496	14,165
Trading	605	3,804	3,283
Fundraising and Community Grant Costs	1,081	504	1,407
Other Locally Raised Funds Expenditure	5,615	12,708	12,349
	<u>20,946</u>	<u>33,512</u>	<u>31,204</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>46,722</u>	<u>36,952</u>	<u>10,924</u>

4. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	42,912	70,636	52,302
Information and Communication Technology	3,460	2,004	281
Employee Benefits - Salaries	1,431,809	1,283,244	1,378,011
Staff Development	6,296	8,004	4,730
	<u>1,484,477</u>	<u>1,363,888</u>	<u>1,435,324</u>

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	6,380	3,900	4,035
Board Fees	4,345	4,200	4,280
Board Expenses	2,739	2,700	4,237
Communication	2,522	3,708	2,814
Consumables	17,579	6,900	7,543
Operating Lease	8,110	21,000	10,741
Other (Includes Healthy Lunches of \$135,728)	148,535	13,644	108,317
Insurance	4,553	4,704	4,416
Service Providers, Contractors and Consultancy	5,558	4,644	5,978
	254,714	115,800	208,687

6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	4,212	43,692	5,328
Consultancy and Contract Services	43,705	3,996	42,718
Cyclical Maintenance Provision	29,083	21,996	29,084
Grounds	19,339	10,992	16,869
Heat, Light and Water	32,533	31,992	33,819
Rates	10,241	8,004	4,151
Repairs and Maintenance	5,271	6,996	619
Use of Land and Buildings	266,162	376,668	376,669
Security	4,104	7,212	3,503
Employee Benefits - Salaries	23,335	20,004	22,922
	437,985	531,552	535,682

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, 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.

7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	76,424	44,546	45,726
Short-term Bank Deposits	75,701	75,000	75,000
Cash and cash equivalents for Statement of Cash Flows	152,125	119,546	120,726

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

Of the \$152,125 Cash and Cash Equivalents, \$69,568 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the new SIP projects. The funds are required to be spent in 2022 on Crown owned school buildings.

8. Accounts Receivable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Receivables	25,504	40,479	40,479
Receivables from the Ministry of Education	9,675	575	575
Interest Receivable	460	279	279
Teacher Salaries Grant Receivable	78,827	80,543	80,543
	<u>114,466</u>	<u>121,876</u>	<u>121,876</u>
Receivables from Exchange Transactions	10,135	40,758	40,758
Receivables from Non-Exchange Transactions	104,331	81,118	81,118
	<u>114,466</u>	<u>121,876</u>	<u>121,876</u>

9. Inventories

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Stationery	560	1,060	1,060
School Uniforms	1,485	630	630
	<u>2,045</u>	<u>1,690</u>	<u>1,690</u>

10. Property, Plant and Equipment

2021	Opening Balance \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	8,047	-	-	-	(671)	7,376
Furniture and Equipment	59,576	8,614	-	-	(14,027)	54,163
Leased Assets	22,827	20,785	(2,092)	-	(16,393)	25,127
Library Resources	185	97	-	-	(36)	246
Balance at 31 December 20	<u>90,635</u>	<u>29,496</u>	<u>(2,092)</u>	<u>-</u>	<u>(31,127)</u>	<u>86,912</u>

	2021 Cost or Valuation \$	2021 Accumulated \$	2021 Net Book Value \$	2020 Cost or \$	2020 Accumulated \$	2020 Net Book \$
Building Improvements	54,909	(47,533)	7,376	54,909	(46,862)	8,047
Furniture and Equipment	480,239	(426,076)	54,163	471,625	(412,049)	59,576
Leased Assets	108,831	(83,704)	25,127	103,746	(80,919)	22,827
Library Resources	84,269	(84,023)	246	84,172	(83,987)	185
Balance at 31 December	<u>728,248</u>	<u>(641,336)</u>	<u>86,912</u>	<u>714,452</u>	<u>(623,817)</u>	<u>90,635</u>

11. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	17,424	52,536	52,536
Accruals	7,445	5,171	5,171
Funds owing to the MOE	-	874	874
Employee Entitlements - Salaries	78,827	80,543	80,543
	<u>103,696</u>	<u>139,124</u>	<u>139,124</u>
Payables for Exchange Transactions	103,696	139,124	139,124
	<u>103,696</u>	<u>139,124</u>	<u>139,124</u>

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	-	2,960	2,960
Other revenue in Advance	214	2,070	2,070
	<u>214</u>	<u>5,030</u>	<u>5,030</u>

13. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	254,667	254,667	225,583
Increase/ (decrease) to the Provision During the Year	29,083	-	29,084
Provision at the End of the Year	<u>283,750</u>	<u>254,667</u>	<u>254,667</u>
Cyclical Maintenance - Current	141,583	85,917	85,917
Cyclical Maintenance - Term	142,167	168,750	168,750
	<u>283,750</u>	<u>254,667</u>	<u>254,667</u>

14. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	14,803	-	16,474
Later than One Year and no Later than Five Years	14,801	-	9,552
Future Finance Charges	(3,865)	-	(1,947)
	<u>25,739</u>	<u>-</u>	<u>24,079</u>
Represented by			
Finance lease liability - Current	13,408	-	14,987
Finance lease liability - Term	12,331	-	9,092
	<u>25,739</u>	<u>-</u>	<u>24,079</u>

15. 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

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Flooded Sewer	(4,822)	-	4,822	-	-
Learning Support Repurpose	(536)	-	536	-	-
Technology Area Remodel	9,415	-	(15,454)	-	(6,039)
SIPS Playground	-	34,214	(34,214)	-	-
SIP Storage	-	79,292	(9,724)	-	69,568
Roof Leak	-	9,953	(9,953)	-	-
Verandah	-	53,495	(53,495)	-	-
Fire Insurance	-	19,709	(19,709)	-	-
Remediation for Lost Master Key	-	8,413	(8,413)	-	-
Totals	<u>4,057</u>	<u>205,076</u>	<u>(145,604)</u>	<u>-</u>	<u>63,529</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	69,568
Funds Due from the Ministry of Education	6,039
	<u>63,529</u>

2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
School Redevelopment <i>completed</i>	14,188	-	-	(14,188)	-
Flooded Sewer <i>completed</i>	(2,454)	11,222	(13,590)	-	(4,822)
Sick Bay Upgrade <i>completed</i>	9,737	2,694	(12,431)	-	-
Learning Support Repurpose <i>completed</i>	-	24,622	(25,158)	-	(536)
Technology Area Remodel <i>in progress</i>	-	12,620	(3,205)	-	9,415
Totals	<u>21,471</u>	<u>51,158</u>	<u>(54,384)</u>	<u>(14,188)</u>	<u>4,057</u>

16. 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.

17. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	4,385	4,280
<i>Leadership Team</i>		
Remuneration	419,704	286,284
Full-time equivalent members	4	3
Total key management personnel remuneration	424,089	290,564

There are 6 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. The Board also has Finance 2 members that oversee the accounts monthly and the whole Board which looks at Finance and Property monthly. 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

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

	2021 Actual \$000	2020 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	2021 FTE Number	2020 FTE Number
100 - 110	1	-
120 - 130	-	-
	1	-

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

18. 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:

	2021 Actual	2020 Actual
Total	-	-
Number of People	-	-

19. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021 (Contingent liabilities and assets at 31 December 2020: 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 2021, a contingent liability for the school may exist.

20. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into contract agreements for capital works as follows:

- (a) \$96,535 contract for New SIP Project to be completed in 2022, which will be fully funded by the Ministry of Education. \$79,291 has been received of which \$9724 has been spent on the project to date; and
- (b) \$126,204 contract to have the Technology Area upgraded as agent for the Ministry of Education. This project is fully funded by the Ministry and \$12,620 has been received of which \$18,660 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2020: \$41,202)

(b) Operating Commitments

As at 31 December 2021 the Board has not entered into any contracts.

21. 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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	152,125	119,546	120,726
Receivables	114,466	121,876	121,876
Total Financial assets measured at amortised cost	<u>266,591</u>	<u>241,422</u>	<u>242,602</u>

Financial liabilities measured at amortised cost

Payables	103,696	139,124	139,124
Finance Leases	25,739	24,079	24,079
Total Financial Liabilities Measured at Amortised Cost	<u>129,435</u>	<u>163,203</u>	<u>163,203</u>

22. Events After Balance Date

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

23. Comparatives

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

24. Going Concern

The School is experiencing financial difficulties, at balance date the School has a working capital deficit of \$59,698 and negative equity of \$127,284. The financial difficulties have arisen mainly because the School has incurred several deficits over recent years. The School is managing this by tighter budgetary control to reduce future deficits.

These financial statements are prepared on a going concern basis. The going concern assumption is dependent on the continuing support from the Ministry of Education. The Ministry of Education has confirmed it will continue to provide the School with resources, so it may meet its obligations as they fall due.

25. COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from Te Tāhuhu o te Mātauranga | Ministry of Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Reduction in locally raised funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.