

BATHGATE PARK SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Name	Position	How Position Gained	Term Expired/
Selena Pomeroy	Presiding Member	Elected	Sep-25
Katrina Robertson	Principal ex Officio		
Amber Banaba	Parent Representative	Elected	Sep-25
Emma-Kate Knox	Parent Representative	Elected	Sep-25
Mark Tuten	Parent Representative	Elected	May-22
Tracy Cameron	Parent Representative	Elected	Aug-22
Troy Mihaka	Parent Representative	Elected	Sep-22
Wendy Lipine	Staff Representative	Elected	Sep-22
Barbara Dinnissen	Staff Representative	Elected	Sep-25

Accountant / Service Provider: Moore Markhams Otago

BATHGATE PARK SCHOOL

Annual Report - For the year ended 31 December 2022

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Bathgate Park School

Statement of Responsibility

For the year ended 31 December 2022

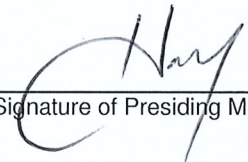
The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

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.

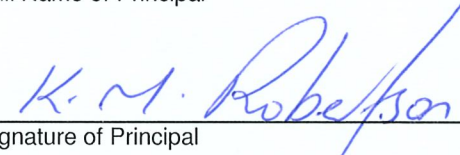
The School's 2022 financial statements are authorised for issue by the Board.

CLEAVE HAY, COMMISSIONER
Full Name of Presiding Member


Signature of Presiding Member

05 APRIL 2024
Date:

Katrina Robertson
Full Name of Principal


Signature of Principal

05/04/2024
Date:

Bathgate Park 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	2,071,325	498,200	2,099,659
Locally Raised Funds	3	25,435	48,000	67,668
Interest Income		2,503	1,000	965
Gain on Sale of Property, Plant and Equipment		-	-	480
Total Revenue		2,099,263	547,200	2,168,772
Expenses				
Locally Raised Funds	3	30,371	18,900	20,946
Learning Resources	4	1,416,872	314,744	1,515,604
Administration	5	250,447	123,537	254,714
Finance		2,083	-	2,323
Property	6	325,712	154,600	437,985
		2,025,485	611,781	2,231,572
Net Surplus / (Deficit) for the year		73,778	(64,581)	(62,800)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense		73,778	(64,581)	(62,800)

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 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		(127,284)	(108,728)	(72,927)
Total comprehensive revenue and expense for the year		73,778	(64,581)	(62,800)
Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		-	8,443	8,443
Equity at 31 December		(53,506)	(164,866)	(127,284)
Accumulated comprehensive revenue and expense		(53,506)	(164,866)	(127,284)
Equity at 31 December		(53,506)	(164,866)	(127,284)

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 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	8	86,019	114,544	152,125
Accounts Receivable	9	108,535	114,466	114,466
GST Receivable		5,290	-	-
Prepayments		4,880	4,383	4,383
Inventories	10	375	2,045	2,045
Funds Receivable for Capital Works Projects	16	24,870	-	-
		229,969	235,438	273,019
Current Liabilities				
GST Payable		-	10,289	10,287
Accounts Payable	12	123,048	103,696	103,696
Revenue Received in Advance	13	315	214	214
Provision for Cyclical Maintenance	14	32,508	141,583	141,583
Finance Lease Liability	15	8,809	13,408	13,408
Funds held for Capital Works Projects	16	-	63,528	63,529
		164,680	332,718	332,717
Working Capital Surplus/(Deficit)		65,289	(97,280)	(59,698)
Non-current Assets				
Property, Plant and Equipment	11	69,529	86,912	86,912
Intangible Assets		-	-	-
		69,529	86,912	86,912
Non-current Liabilities				
Provision for Cyclical Maintenance	14	174,735	142,167	142,167
Finance Lease Liability	15	13,589	12,331	12,331
		188,324	154,498	154,498
Net Assets		(53,506)	(164,866)	(127,284)
Equity		(53,506)	(164,866)	(127,284)

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 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		871,855	498,200	719,319
Locally Raised Funds		21,900	48,000	87,561
Goods and Services Tax (net)		(15,579)	-	23,941
Payments to Employees		(454,887)	(297,844)	(415,067)
Payments to Suppliers		(383,627)	(286,937)	(425,466)
Interest Paid		(2,083)	-	(2,323)
Interest Received		2,617	1,000	784
Net cash from/(to) Operating Activities		40,196	(37,581)	(11,251)
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Ir		-	-	480
Purchase of Property Plant & Equipment (and Intangibles)		(14,562)	-	(22,319)
Net cash from/(to) Investing Activities		(14,562)	-	(21,839)
Cash flows from Financing Activities				
Furniture and Equipment		-	-	8,443
Finance Lease Payments		(16,122)	-	(3,425)
Loans Received		12,781	-	-
Funds Administered on Behalf of Third Parties		(88,399)	-	59,471
Net cash from/(to) Financing Activities		(91,740)	-	64,489
Net increase/(decrease) in cash and cash equivalents		(66,106)	(37,581)	31,399
Cash and cash equivalents at the beginning of the year	8	152,125	152,125	120,726
Cash and cash equivalents at the end of the year	8	86,019	114,544	152,125

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 2022

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 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 14.

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 11.

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 15. Future operating lease commitments are disclosed in note 21b.

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
Board Owned Buildings	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 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.

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.

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 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.

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 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.

q) 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.

r) 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.

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.

s) 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.

t) 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.

u) 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 (including Healthy School Lunches of \$134,759)	826,767	339,200	712,976
Teachers' Salaries Grants	936,851	-	1,094,470
Use of Land and Buildings Grants	269,695	-	266,162
Other Government Grants	38,012	159,000	26,051
	<u>2,071,325</u>	<u>498,200</u>	<u>2,099,659</u>

The school has opted in to the donations scheme for this year. Total amount received was \$22,200.

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	1,840	21,000	25,333
Curriculum related Activities - Purchase of goods and services	3,816	4,400	5,574
Fees for Extra Curricular Activities	9,468	9,400	12,085
Trading	2,228	3,200	3,715
Fundraising & Community Grants	676	2,000	5,491
Other Revenue	7,407	8,000	15,470
	<u>25,435</u>	<u>48,000</u>	<u>67,668</u>
Expenses			
Extra Curricular Activities Costs	11,346	8,700	13,645
Trading	5,825	3,000	605
Fundraising and Community Grant Costs	3,650	500	1,081
Other Locally Raised Funds Expenditure	9,550	6,700	5,615
	<u>30,371</u>	<u>18,900</u>	<u>20,946</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>(4,936)</u>	<u>29,100</u>	<u>46,722</u>

4. Learning Resources

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Curricular	51,798	53,400	42,912
Information and Communication Technology	1,227	2,000	3,460
Library Resources	-	600	-
Employee Benefits - Salaries	1,324,680	226,744	1,431,809
Staff Development	7,222	5,000	6,296
Depreciation	31,945	27,000	31,127
	<u>1,416,872</u>	<u>314,744</u>	<u>1,515,604</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	8,140	6,337	6,380
Board Fees	3,431	4,400	4,345
Board Expenses	4,100	3,450	2,739
Communication	2,869	3,400	2,522
Consumables	15,925	14,150	17,579
Operating Lease	2,076	20,000	8,110
Other (Includes Healthy School Lunches of \$134,759)	145,638	11,050	148,535
Employee Benefits - Salaries	61,522	51,100	54,393
Insurance	4,106	5,000	4,553
Service Providers, Contractors and Consultancy	2,640	4,650	5,558
	250,447	123,537	254,714

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	473	4,700	4,212
Consultancy and Contract Services	41,738	43,000	43,705
Cyclical Maintenance Provision	(76,507)	22,000	29,083
Grounds	11,961	11,000	19,339
Heat, Light and Water	36,456	31,700	32,533
Rates	10,875	8,000	10,241
Repairs and Maintenance	1,483	7,000	5,271
Use of Land and Buildings	269,695	-	266,162
Security	5,407	7,200	4,104
Employee Benefits - Salaries	24,131	20,000	23,335
	325,712	154,600	437,985

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	11,019	38,843	76,424
Short-term Bank Deposits	75,000	75,701	75,701
Cash and cash equivalents for Statement of Cash Flows	86,019	114,544	152,125

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

Of the \$86,019 Cash and Cash Equivalents, \$16,830 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	22,366	18,730	18,730
Receivables from the Ministry of Education	9,373	16,449	16,449
Interest Receivable	346	460	460
Teacher Salaries Grant Receivable	76,450	78,827	78,827
	<u>108,535</u>	<u>114,466</u>	<u>114,466</u>
Receivables from Exchange Transactions	22,712	19,190	19,190
Receivables from Non-Exchange Transactions	85,823	95,276	95,276
	<u>108,535</u>	<u>114,466</u>	<u>114,466</u>

10. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	-	560	560
School Uniforms	375	1,485	1,485
	<u>375</u>	<u>2,045</u>	<u>2,045</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Building Improvements	7,376	-	-	-	(670)	6,706
Furniture and Equipment	46,249	1,783	-	-	(10,861)	37,171
Information and Communication Technology	7,914	-	-	-	(2,093)	5,821
Leased Assets	25,127	12,781	-	-	(18,281)	19,627
Library Resources	246	-	-	-	(40)	206
Balance at 31 December 2022	<u>86,912</u>	<u>14,564</u>	<u>-</u>	<u>-</u>	<u>(31,945)</u>	<u>69,531</u>

The net carrying value of leased assets held under a finance lease is **\$19,627 (2021: \$25,127)**

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 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Building Improvements	54,909	(48,203)	6,706	54,909	(47,533)	7,376
Furniture and Equipment	388,465	(349,496)	38,969	384,883	(338,634)	46,249
Information and Communication Te	93,556	(89,535)	4,021	95,356	(87,442)	7,914
Leased Assets	70,256	(50,629)	19,627	108,831	(83,704)	25,127
Library Resources	84,269	(84,063)	206	84,269	(84,023)	246
Balance at 31 December	<u>691,455</u>	<u>(621,926)</u>	<u>69,529</u>	<u>728,248</u>	<u>(641,336)</u>	<u>86,912</u>

12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	20,558	7,702	7,702
Accruals	7,445	17,167	17,167
Banking Staffing Overuse	18,595	-	-
Employee Entitlements - Salaries	76,450	78,827	78,827
	<u>123,048</u>	<u>103,696</u>	<u>103,696</u>
Payables for Exchange Transactions	123,048	103,696	103,696
	<u>123,048</u>	<u>103,696</u>	<u>103,696</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Other revenue in Advance	315	214	214
	<u>315</u>	<u>214</u>	<u>214</u>

14. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	283,750	283,750	254,667
Increase to the Provision During the Year	29,920	-	29,083
Adjustment to the Provision During the Year	(106,427)		
Provision at the End of the Year	<u>207,243</u>	<u>283,750</u>	<u>283,750</u>
Cyclical Maintenance - Current	32,508	141,583	141,583
Cyclical Maintenance - Non current	174,735	142,167	142,167
	<u>207,243</u>	<u>283,750</u>	<u>283,750</u>

15. 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	10,406	14,803	14,803
Later than One Year and no Later than Five Years	15,611	14,801	14,801
Future Finance Charges	(3,620)	(3,865)	(3,865)
	<u>22,397</u>	<u>25,739</u>	<u>25,739</u>
Represented by			
Finance lease liability - Current	8,809	13,408	13,408
Finance lease liability - Non current	13,588	12,331	12,331
	<u>22,397</u>	<u>25,739</u>	<u>25,739</u>

16. 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 \$
Technology Area Remodel	<i>in progress</i>	(6,039)		(525)		(6,564)
SIP Storage	<i>in progress</i>	69,568		(95,746)		(26,178)
Floor Coverings	<i>in progress</i>	-	16,200	(18,000)		(1,800)
Heat Pump Project	<i>in progress</i>	-	7,470	(14,628)		(7,158)
Double Glazing	<i>in progress</i>		73,300	(56,470)		16,830
Totals		<u>63,529</u>	<u>96,970</u>	<u>(185,369)</u>	-	<u>(24,870)</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	16,830
Funds Receivable from the Ministry of Education	(41,700)

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

Represented by:

Funds Held on Behalf of the Ministry of Education	69,568
Funds Receivable from the Ministry of Education	(6,039)

17. 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.

18. 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	3,431	4,385
<i>Leadership Team</i> Remuneration Full-time equivalent members	409,289 4	419,704 4
Total key management personnel remuneration	<u>412,720</u>	<u>424,089</u>

There are 5 members of the Board excluding the Principal. 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	130 - 140
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
	<u>1.00</u>	<u>1.00</u>

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

19. 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	\$12,000	\$0
Number of People	1	0

20. 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.

21. Commitments

(a) Capital Commitments

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

(a) \$96,535 contract for new SIP Project to be completed in 2023, which will be fully funded by the Ministry of Education. \$79,291 has been received and \$105,469 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 received of which \$19,185 has been spent of the project to date; and

(c) \$20,000 contract to have the Floor Coverings upgraded as agent for the Ministry of Education. This project is fully funded by the Ministry and \$16,200 has received of which \$18,000 has been spent of the project to date; and

(d) \$9,300 contract to have the Heat Pumps upgraded as agent for the Ministry of Education. This project is fully funded by the Ministry and \$7,470 has received of which \$14,628 has been spent of the project to date; and

(e) \$69,416 contract to have the Double Glazing upgraded as agent for the Ministry of Education. This project is fully funded by the Ministry and \$73,300 has received of which \$56,470 has been spent of the project to date; and

(Capital commitments at 31 December 2021: \$63,529)

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into any operating commitments

(Operating commitments at 31 December 2021: \$nil)

22. 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	86,019	114,544	152,125
Receivables	108,535	114,466	114,466
Total Financial assets measured at amortised cost	<u>194,554</u>	<u>229,010</u>	<u>266,591</u>

Financial liabilities measured at amortised cost

Payables	123,048	103,696	103,696
Finance Leases	22,398	25,739	25,739
Total Financial Liabilities Measured at Amortised Cost	<u>145,446</u>	<u>129,435</u>	<u>129,435</u>

23. Events After Balance Date

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

24. Comparatives

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

25. Going Concern

The School is experiencing financial difficulties, at balance date the School has a negative equity of \$53,506. 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.

Compliance with the Good Employer Policy

The School Board:

- Has developed and implemented appropriate policies which promote high levels of staff performance and recognise the needs of students;
- Has reviewed its compliance with these policies and can report that it meets all the requirements identified and is in accordance with best practice;
- Is a good employer and complies with all conditions included within employee contracts;
- Ensures all employees are treated fairly, without bias or discrimination;
- Meets all EEO requirements.