



## ANNUAL REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**School Directory**

**Ministry Number:**

3801

**Principal:**

Melissa Ward

**School Address:**

11 Hislop Street, Pine Hill, Dunedin 9010

**School Phone:**

03 473 9148

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# PINE HILL SCHOOL

Annual Report - For the year ended 31 December 2021

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# Pine Hill 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.

Kirstyn Stanaway  
Full Name of Presiding Member

Melissa Ward  
Full Name of Principal

K Stanaway  
Signature of Presiding Member

M  
Signature of Principal

23/05/2022  
Date:

23/05/2022  
Date:

# **Pine Hill School**

## **Members of the Board**

For the year ended 31 December 2021

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Kirstyn Stanaway	Presiding Member	Elected	Sep 2022
Melissa Ward	Principal ex Officio		
Janine Little	Parent Representative	Elected	Sep 2022
Hinewai Broughton	Parent Representative	Elected	May 2021
Michael Prasad	Parent Representative	Elected	Sep 2022
Tala Pesa	Parent Representative	Selected	Nov 2023
Dan Tan	Parent Representative	Selected	Nov 2023
Renee Hodges	Staff Representative	Elected	Sep 2022

**Pine Hill School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	658,971	519,333	575,998
Locally Raised Funds	3	63,757	14,020	18,504
Interest Income		87	100	106
		<u>722,815</u>	<u>533,453</u>	<u>594,608</u>
<b>Expenses</b>				
Locally Raised Funds	3	1,471	2,131	7,677
Learning Resources	4	427,323	259,784	326,639
Administration	5	49,491	60,737	52,476
Finance		2,334	-	3,168
Property	6	184,565	193,604	187,167
Depreciation	9	24,630	15,000	21,909
Loss on Disposal of Property, Plant and Equipment		1,901	-	675
		<u>691,715</u>	<u>531,256</u>	<u>599,711</u>
<b>Net Surplus / (Deficit) for the year</b>		31,100	2,197	(5,103)
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>31,100</u></u>	<u><u>2,197</u></u>	<u><u>(5,103)</u></u>

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

**Pine Hill School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2021

Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>	28,706	28,706	31,934
Total comprehensive revenue and expense for the year	31,100	2,197	(5,103)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	1,445	-	1,875
Contribution - Te Mana Tuhuno	9,960	-	-
Distribution of Equity	(36,976)	-	-
<b>Equity at 31 December</b>	<b>34,235</b>	<b>30,903</b>	<b>28,706</b>
Retained Earnings	34,235	30,903	28,706
<b>Equity at 31 December</b>	<b>34,235</b>	<b>30,903</b>	<b>28,706</b>

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.

# Pine Hill School

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	61,572	225,742	205,571
Accounts Receivable	8	31,075	14,365	14,365
GST Receivable		292	-	-
Prepayments		8,705	3,994	3,994
		<u>101,644</u>	<u>244,101</u>	<u>223,930</u>
<b>Current Liabilities</b>				
GST Payable		-	10,459	10,459
Accounts Payable	10	47,318	67,761	67,761
Revenue Received in Advance	11	-	-	41,447
Provision for Cyclical Maintenance	12	7,556	-	-
Finance Lease Liability	13	9,514	8,616	8,616
Funds held for Capital Works Projects	14	-	127,270	85,823
		<u>64,388</u>	<u>214,106</u>	<u>214,106</u>
<b>Working Capital Surplus/(Deficit)</b>		37,256	29,995	9,824
<b>Non-current Assets</b>				
Property, Plant and Equipment	9	81,130	72,817	83,318
		<u>81,130</u>	<u>72,817</u>	<u>83,318</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	12	78,090	57,299	49,826
Finance Lease Liability	13	6,061	14,610	14,610
		<u>84,151</u>	<u>71,909</u>	<u>64,436</u>
<b>Net Assets</b>		<u>34,235</u>	<u>30,903</u>	<u>28,706</u>
<b>Equity</b>		<u>34,235</u>	<u>30,903</u>	<u>28,706</u>

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

**Pine Hill School**  
**Statement of Cash Flows**  
For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		122,076	80,846	282,711
Locally Raised Funds		15,447	14,020	19,323
Goods and Services Tax (net)		(10,751)	-	14,968
Payments to Employees		(79,024)	(6,943)	(72,804)
Payments to Suppliers		(88,264)	(104,800)	(123,894)
Interest Received		87	100	106
Net cash (to)/ from Operating Activities		(40,429)	(16,777)	120,410
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(8,671)	(4,499)	(16,059)
Net cash (to)/from Investing Activities		(8,671)	(4,499)	(16,059)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		1,445	-	1,875
Finance Lease Payments		(10,521)	-	(10,932)
Funds Administered on Behalf of Third Parties		(85,823)	41,447	85,945
Net cash (to)/ from Financing Activities		(94,899)	41,447	76,888
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(143,999)</b>	<b>20,171</b>	<b>181,239</b>
Cash and cash equivalents at the beginning of the year	7	205,571	205,571	24,332
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>61,572</b>	<b>225,742</b>	<b>205,571</b>

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.



# Pine Hill School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### 1.1. Reporting Entity

Pine Hill 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.

##### 1.2. 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 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 expenditure 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 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 12.

###### **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 9.

### ***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.

### **1.3. 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.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. These 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***

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.

#### ***Interest Revenue***

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

### **1.4. 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.

### **1.5. 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.

### **1.6. 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.

### **1.7. Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The School's 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.

### 1.8. 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 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 to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

### 1.9. 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.

The reversal of an impairment loss is recognised in the surplus or deficit.

### 1.10. 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.

### **1.11. Employee Entitlements**

#### *Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and also 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 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.

### **1.12. Revenue Received in Advance**

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

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

### **1.14. 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, painting contract liability and finance lease liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

### **1.15. 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.

### **1.16. Budget Figures**

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

### **1.17. 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	139,743	140,050	151,503
Teachers' Salaries Grants	312,478	213,209	213,198
Use of Land and Buildings Grants	98,962	138,099	138,099
Other MoE Grants	29,648	19,600	37,144
Healthy Lunch Programme Grant	37,430	-	26,200
Other Government Grants	40,710	8,375	9,854
	<u>658,971</u>	<u>519,333</u>	<u>575,998</u>

The School has opted in to the donations scheme for this year. Total amount received was \$7,050 (2020: \$6,000).

## 3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
Donations & Bequests	4,705	1,200	9,904
Fees for Extra Curricular Activities	587	500	209
Trading	196	250	848
Fundraising & Community Grants	56,266	9,070	6,135
Other Revenue	2,003	3,000	1,408
	<u>63,757</u>	<u>14,020</u>	<u>18,504</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	1,239	1,561	6,265
Trading	232	270	1,412
Fundraising & Community Grant Costs	-	300	-
	<u>1,471</u>	<u>2,131</u>	<u>7,677</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>62,286</u>	<u>11,889</u>	<u>10,827</u>

## 4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	7,704	14,050	9,378
Information and Communication Technology	603	-	119
Library Resources	75	250	-
Employee Benefits - Salaries	379,371	241,184	288,990
Healthy Lunch Programme expenses	37,430	-	26,200
Staff Development	2,140	4,300	1,952
	<u>427,323</u>	<u>259,784</u>	<u>326,639</u>

## 5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	4,000	3,000	3,200
Board Fees	2,560	3,000	2,615
Board Expenses	2,600	2,400	2,448
Communication	1,575	1,700	1,678
Consumables	1,755	2,815	2,603
Operating Lease	1,691	12,050	2,886
Other	8,296	9,872	8,785
Employee Benefits - Salaries	18,149	17,200	17,805
Insurance	4,965	4,800	4,605
Service Providers, Contractors and Consultancy	3,900	3,900	5,851
	<u>49,491</u>	<u>60,737</u>	<u>52,476</u>

## 6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	2,295	2,000	4,882
Consultancy and Contract Services	12,644	14,782	10,191
Cyclical Maintenance Provision	35,820	10,473	8,602
Grounds	13,576	5,650	1,378
Heat, Light and Water	6,237	6,600	6,015
Rates	3,314	3,000	3,009
Repairs and Maintenance	3,915	5,000	6,670
Use of Land and Buildings	98,962	138,099	138,099
Security	579	500	484
Employee Benefits - Salaries	7,223	7,500	7,837
	<u>184,565</u>	<u>193,604</u>	<u>187,167</u>

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	61,572	225,742	205,571
Cash and cash equivalents for Statement of Cash Flows	<u>61,572</u>	<u>225,742</u>	<u>205,571</u>

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

## 8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	7,004	-	-
Teacher Salaries Grant Receivable	24,071	14,365	14,365
	<u>31,075</u>	<u>14,365</u>	<u>14,365</u>
Receivables from Exchange Transactions	7,004	-	-
Receivables from Non-Exchange Transactions	24,071	14,365	14,365
	<u>31,075</u>	<u>14,365</u>	<u>14,365</u>

## 9. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements	6,120	1,250	(956)	-	(932)	5,482
Furniture and Equipment	33,781	14,843	(6,695)	-	(4,923)	37,006
Information and Communication Technology	14,955	12,558	-	-	(8,994)	18,519
Leased Assets	22,323	1,382	-	-	(9,006)	14,699
Library Resources	6,139	219	(159)	-	(775)	5,424
<b>Balance at 31 December 2021</b>	<u>83,318</u>	<u>30,252</u>	<u>(7,810)</u>	<u>-</u>	<u>(24,630)</u>	<u>81,130</u>

The net carrying value of equipment held under a finance lease is \$14,699 (2020: \$22,323)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Building Improvements	99,075	(93,593)	5,482	100,213	(94,093)	6,120
Furniture and Equipment	81,499	(44,493)	37,006	91,158	(57,377)	33,781
Information and Communication Technology	80,933	(62,414)	18,519	69,966	(55,011)	14,955
Leased Assets	37,514	(22,815)	14,699	37,823	(15,500)	22,323
Library Resources	30,201	(24,777)	5,424	30,781	(24,642)	6,139
<b>Balance at 31 December</b>	<u>329,222</u>	<u>(248,092)</u>	<u>81,130</u>	<u>329,941</u>	<u>(246,623)</u>	<u>83,318</u>

## 10. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	2,714	3,433	3,433
Accruals	6,941	3,880	3,880
Banking Staffing Overuse	12,756	45,732	45,732
Employee Entitlements - Salaries	24,362	14,365	14,365
Employee Entitlements - Leave Accrual	545	351	351
	<u>47,318</u>	<u>67,761</u>	<u>67,761</u>
Payables for Exchange Transactions	47,318	67,761	67,761
	<u>47,318</u>	<u>67,761</u>	<u>67,761</u>

The carrying value of payables approximates their fair value.

## 11. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Grants in Advance	-	-	41,447
	<u>-</u>	<u>-</u>	<u>41,447</u>

## 12. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	49,826	49,826	44,224
Increase/ (decrease) to the Provision During the Year	16,163	10,473	10,473
Adjustment to the Provision	19,657	-	(1,871)
Use of the Provision During the Year	-	(3,000)	(3,000)
Provision at the End of the Year	<u>85,646</u>	<u>57,299</u>	<u>49,826</u>
Cyclical Maintenance - Current	7,556	-	-
Cyclical Maintenance - Term	78,090	57,299	49,826
	<u>85,646</u>	<u>57,299</u>	<u>49,826</u>

## 13. 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	10,778	10,222	10,222
Later than One Year and no Later than Five Years	6,443	16,151	16,151
Future Finance Charges	(1,646)	(3,147)	(3,147)
	<u>15,575</u>	<u>23,226</u>	<u>23,226</u>
<b>Represented by:</b>			
Finance lease liability - Current	9,514	8,616	8,616
Finance lease liability - Term	6,061	14,610	14,610
	<u>15,575</u>	<u>23,226</u>	<u>23,226</u>

#### 14. 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:

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Block 3 Dental Clinic Rationalisation Project -217985	7,388	-	(7,388)	-	-
LSC Room upgrade -220065	33,436	1,515	(34,951)	-	-
SIPS Fencing & Landscaping -221812	45,000	5,000	(86,977)	36,977	-
Unforeseen Funding Heatpump & Verandha -225413	-	28,712	(28,712)	-	-
Window -229844	-	2,770	(2,770)	-	-
Admin Leaking Roof Emerg Repair -228461	-	4,700	(4,700)	-	-
<b>Totals</b>	<b>85,824</b>	<b>42,697</b>	<b>(165,498)</b>	<b>36,977</b>	<b>-</b>

2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Carpet Upgrade	(122)	122	-	-	-
Drainage	-	9,263	(9,263)	-	-
Block 3 Dental Clinic Rationalisation Project -217985	-	23,151	(15,763)	-	7,388
LSC Room upgrade - 220065	-	33,435	-	-	33,435
SIPS -Fencing & Landscaping -221812	-	45,000	-	-	45,000
<b>Totals</b>	<b>(122)</b>	<b>110,971</b>	<b>(25,026)</b>	<b>-</b>	<b>85,823</b>

#### 15. 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.

#### 16. Remuneration

##### Key management personnel compensation

Key management personnel of the School include all trustees of the Board, and the Principal.

	2021 Actual	2020 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	2,560	2,615
<i>Leadership Team</i>		
Remuneration	117,800	115,268
Full-time equivalent members	1.00	1.00
<b>Total key management personnel remuneration</b>	<b>120,360</b>	<b>117,883</b>

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

##### Principal

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

	2021 Actual	2020 Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110 - 120	110 - 120
Benefits and Other Emoluments	1 - 5	1 - 5
Termination Benefits	0 - 0	0 - 0



### 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	-	-
	-	-

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

### 17. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, 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	-	-

### 18. 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.

### 19. Commitments

#### (a) Capital Commitments

As at 31 December 2021 the Board has entered into the following contract agreements for capital works.

(a) The school has initiated the upgrade process for drainage and plumbing. The total cost of this project is estimated to be \$12,358. The project is to be fully funded by the Ministry. No funding has been received or payments made on this project at balance date. This project has been approved by the Ministry; and

(b) The school has initiated the upgrade process for ILE Classroom Modifications. The total cost of this project is estimated to be \$84,177. The project is to be fully funded by the Ministry. No funding has been received or payments made on this project at balance date. This project has been approved by the Ministry.

(Capital commitments in relation to Ministry projects at 31 December 2020: \$85,823)

#### (b) Operating Commitments

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

(Operating commitments at 31 December 2020: nil)

### 20. 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	\$ 61,572	\$ 225,742	\$ 205,571
Receivables	31,075	14,365	14,365
Total Financial assets measured at amortised cost	<u>92,647</u>	<u>240,107</u>	<u>219,936</u>

#### Financial liabilities measured at amortised cost

Payables	47,318	67,761	67,761
Finance Leases	15,575	23,226	23,226
Total Financial liabilities measured at amortised Cost	<u>62,893</u>	<u>90,987</u>	<u>90,987</u>

## 21. Events After Balance Date

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

## 22. Comparatives

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

## 23. 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 the Te Tāhuhu o te Mātauranga | Ministry to 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.