

MATIPO ROAD SCHOOL

ANNUAL REPORT

Ministry Number: 1365

Principal: Jonnie Black

School Address: 63B Matipo Road, Te Atatu Peninsula, Waitakere 0610

School Postal Address: 63B Matipo Road, Te Atatu Peninsula, Waitakere 0610

School Phone: 09 834 6909

School Email: teresar@matipo.school.nz

Accountant / Service Provider:
Canterbury Educations Services Society Limited
Unit 10, 18 Moselle Ave, Auckland 0610



UHY HAINES NORTON (AUCKLAND) LIMITED
For identification purposes only

MATIPO ROAD SCHOOL

Annual Report - For the year ended 31 December 2022

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Matipo Road School

Member of the Board

For the year ended 31 December 2022

Commissioner
Bruce Adin

Matipo Road School

Statement of Responsibility

For the year ended 31 December 2022

The Commissioner 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 Commissioner 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 Commissioner.

Bruce Adin

Full Name of Commissioner

Jonnie Richard Tui Black

Full Name of Principal

Bruce Adin

Signature of Commissioner

Jonnie Black

Signature of Principal

31-05-23

Date:

31/05/2023

Date:

Matipo Road 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	4,495,347	4,669,968	4,508,848
Locally Raised Funds	3	230,727	180,391	143,811
Interest Income		2,292	500	535
Total Revenue		4,728,366	4,850,859	4,653,194
Expenses				
Locally Raised Funds	3	141,802	137,088	97,480
Learning Resources	4	2,829,488	2,984,088	3,074,927
Administration	5	381,817	232,206	355,457
Finance		8,142	4,500	3,559
Property	6	1,441,111	1,475,087	1,478,424
Loss on Disposal of Property, Plant and Equipment		8,739	-	3,579
		4,811,097	4,832,969	5,013,426
Net Surplus / (Deficit) for the year		(82,731)	17,890	(360,232)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(82,731)	17,890	(360,232)

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

Matipo Road 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		414,426	448,782	774,658
Total comprehensive revenue and expense for the year		(82,731)	17,890	(360,232)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		(5,694)	-	-
Equity at 31 December		326,001	466,672	414,426
Accumulated comprehensive revenue and expense		326,001	466,672	414,426
Equity at 31 December		326,001	466,672	414,426

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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.

Matipo Road School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	365,643	434,812	287,923
Accounts Receivable	8	196,755	212,130	212,130
GST Receivable		30,246	11,533	11,533
Prepayments		14,834	10,591	10,591
Funds Receivable for Capital Works Projects	14	247	-	11,086
		<u>607,725</u>	<u>669,066</u>	<u>533,263</u>
Current Liabilities				
Accounts Payable	10	573,040	378,542	389,509
Revenue Received in Advance	11	7,273	1,100	1,100
Provision for Cyclical Maintenance	12	38,234	-	-
Finance Lease Liability	13	41,144	19,878	19,878
Funds held for Capital Works Projects	14	176,869	278,504	289,590
		<u>836,560</u>	<u>678,024</u>	<u>700,077</u>
Working Capital Surplus/(Deficit)		(228,835)	(8,958)	(166,814)
Non-current Assets				
Property, Plant and Equipment	9	728,590	599,871	728,872
		<u>728,590</u>	<u>599,871</u>	<u>728,872</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	12	98,433	116,477	139,867
Finance Lease Liability	13	75,323	7,764	7,764
		<u>173,756</u>	<u>124,241</u>	<u>147,631</u>
Net Assets		<u>326,001</u>	<u>466,672</u>	<u>414,426</u>
Equity		<u>326,001</u>	<u>466,672</u>	<u>414,426</u>

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

Matipo Road 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		1,001,525	887,423	897,897
Locally Raised Funds		236,900	176,798	140,218
Goods and Services Tax (net)		(18,713)	15,677	15,677
Payments to Employees		(630,703)	(446,603)	(541,310)
Payments to Suppliers		(338,978)	(510,679)	(518,390)
Interest Paid		(8,142)	(4,500)	(3,559)
Interest Received		2,292	500	1,392
Net cash from/(to) Operating Activities		244,181	118,616	(8,075)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(18,856)	(23,000)	(126,923)
Net cash from/(to) Investing Activities		(18,856)	(23,000)	(126,923)
Cash flows from Financing Activities				
Board Donation to MOE		(5,694)	-	-
Finance Lease Payments		(40,026)	(31,726)	26,862
Funds Administered on Behalf of Third Parties		(101,882)	250,500	250,500
Net cash from/(to) Financing Activities		(147,602)	218,774	277,362
Net increase/(decrease) in cash and cash equivalents		77,723	314,390	142,364
Cash and cash equivalents at the beginning of the year	7	287,923	120,421	145,559
Cash and cash equivalents at the end of the year	7	365,643	434,812	287,923

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.

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

Matipo Road School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Matipo Road 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 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. 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 13. Future operating lease commitments are disclosed in note 19b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives.

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

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

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

f) Accounts Receivable

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

g) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	40 years
Board Owned Buildings	40 years
Furniture and equipment	10 Years
Information and communication technology	4 years
Motor vehicles	10 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

h) 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.

i) 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.

j) Revenue Received in Advance

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

k) 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.

l) 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.

m) Financial Instruments

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

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

n) 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.

o) Budget Figures

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

p) 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	996,765	871,508	942,313
Teachers' Salaries Grants	2,305,863	2,542,709	2,412,976
Use of Land and Buildings Grants	1,189,353	1,255,751	1,153,559
Other Government Grants	3,366	-	-
	<u>4,495,347</u>	<u>4,669,968</u>	<u>4,508,848</u>

The school has opted in to the donations scheme for this year. Total amount received was \$70,200.

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	81,484	123,291	112,380
Fees for Extra Curricular Activities	9,956	12,500	11,167
Fundraising & Community Grants	113,280	41,600	20,264
Other Revenue	26,007	3,000	-
	<u>230,727</u>	<u>180,391</u>	<u>143,811</u>
Expenses			
Extra Curricular Activities Costs	107,698	127,368	97,036
Fundraising and Community Grant Costs	22,369	9,720	444
Other Locally Raised Funds Expenditure	11,735	-	-
	<u>141,802</u>	<u>137,088</u>	<u>97,480</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>88,925</u>	<u>43,303</u>	<u>46,331</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	114,615	60,844	55,802
Equipment Repairs	502	2,500	3,636
Library Resources	2,670	1,690	4,212
Employee Benefits - Salaries	2,554,579	2,749,899	2,843,582
Staff Development	13,692	17,155	14,252
Depreciation	143,430	152,000	153,443
	<u>2,829,488</u>	<u>2,984,088</u>	<u>3,074,927</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	7,617	8,759	7,395
Board Fees	-	2,960	-
Board Expenses	810	11,814	2,874
Healthy Lunch Scheme	48,902	6,000	44,416
Communication	5,578	7,275	6,653
Consumables	58,865	48,124	76,365
Operating Lease	219	-	1,569
Other	30,213	24,250	27,829
Employee Benefits - Salaries	204,323	100,642	164,181
Insurance	5,787	6,382	6,429
Service Providers, Contractors and Consultancy	19,503	16,000	17,746
	<u>381,817</u>	<u>232,206</u>	<u>355,457</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	80,104	76,690	87,693
Cyclical Maintenance Provision	(3,202)	30,000	23,390
Grounds	15,523	6,500	14,165
Heat, Light and Water	36,933	28,000	37,345
Repairs and Maintenance	42,577	8,200	33,006
Use of Land and Buildings	1,189,353	1,255,751	1,153,559
Security	4,488	7,500	6,553
Employee Benefits - Salaries	75,335	62,446	122,713
	<u>1,441,111</u>	<u>1,475,087</u>	<u>1,478,424</u>

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

7. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	365,643	434,812	287,923
Cash and cash equivalents for Statement of Cash Flows	<u>365,643</u>	<u>434,812</u>	<u>287,923</u>

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

Of the \$365,643 Cash and Cash Equivalents, \$176,869 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.

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Banking Staffing Underuse	8,926	-	-
Teacher Salaries Grant Receivable	187,829	212,130	212,130
	<u>196,755</u>	<u>212,130</u>	<u>212,130</u>
Receivables from Non-Exchange Transactions	196,755	212,130	212,130
	<u>196,755</u>	<u>212,130</u>	<u>212,130</u>

9. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022	\$	\$	\$	\$	\$	\$
Building Improvements	365,036	-	(5,388)	-	(18,635)	341,012
Furniture and Equipment	240,647	13,375	(3,312)	-	(43,336)	207,376
Information and Communication Technology	84,504	4,914	(40)	-	(43,611)	45,766
Motor Vehicles	6,638	-	-	-	(1,604)	5,033
Leased Assets	23,426	128,853	-	-	(34,573)	117,706
Library Resources	8,621	4,748	-	-	(1,671)	11,697
Balance at 31 December 2022	<u>728,872</u>	<u>151,890</u>	<u>(8,740)</u>	<u>-</u>	<u>(143,430)</u>	<u>728,590</u>

The net carrying value of furniture and equipment held under a finance lease is \$117,706 (2021: \$23,426)

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	745,393	(404,381)	341,012	751,129	(386,094)	365,036
Furniture and Equipment	684,105	(476,729)	207,376	736,122	(495,474)	240,647
Information and Communication T	412,398	(366,632)	45,766	454,370	(369,867)	84,504
Motor Vehicles	16,043	(11,010)	5,033	16,043	(9,405)	6,638
Leased Assets	152,256	(34,550)	117,706	59,735	(36,309)	23,426
Library Resources	97,621	(85,924)	11,697	92,874	(84,253)	8,621
Balance at 31 December	<u>2,107,816</u>	<u>(1,379,226)</u>	<u>728,590</u>	<u>2,110,273</u>	<u>(1,381,402)</u>	<u>728,872</u>

10. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	289,176	31,674	42,640
Accruals	7,617	9,585	7,395
Banking Staffing Overuse	54,477	106,763	108,954
Employee Entitlements - Salaries	187,829	212,130	212,130
Employee Entitlements - Leave Accrual	33,941	18,390	18,390
	<u>573,040</u>	<u>378,542</u>	<u>389,509</u>
Payables for Exchange Transactions	573,040	378,542	389,509
	<u>573,040</u>	<u>378,542</u>	<u>389,509</u>

The carrying value of payables approximates their fair value.

11. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Other revenue in Advance	7,273	1,100	1,100
	<u>7,273</u>	<u>1,100</u>	<u>1,100</u>

12. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	139,867	139,867	116,477
Increase to the Provision During the Year	(3,200)	30,000	23,390
Provision at the End of the Year	<u>136,667</u>	<u>169,867</u>	<u>139,867</u>
Cyclical Maintenance - Current	38,234	-	-
Cyclical Maintenance - Non current	98,433	116,477	139,867
	<u>136,667</u>	<u>116,477</u>	<u>139,867</u>

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

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:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	49,891	21,379	21,379
Later than One Year and no Later than Five Years	83,339	8,238	8,238
Future Finance Charges	(16,763)	(1,975)	(1,975)
	<u>116,467</u>	<u>27,642</u>	<u>27,642</u>
Represented by			
Finance lease liability - Current	41,144	19,878	19,878
Finance lease liability - Non current	75,323	7,764	7,764
	<u>116,467</u>	<u>27,642</u>	<u>27,642</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. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Repairs to Tiger Turf	3,050	-	-	-	3,050
Upgrade of Security	4,954	-	-	-	4,954
Food Technology Classroom	238,359	7,446	(245,805)	-	-
Rainwater Harvesting Project	(11,086)	6,700	(1,307)	5,693	-
Block 9 Demolition	43,227	-	(30,825)	-	12,402
Electrical Upgrade	-	70,228	(9,075)	-	61,153
AMS/ILE Block 7 Upgrade	-	30,623	(3,849)	-	26,774
Drainage	-	10,000	(3,223)	-	6,777
Floor & Wall Coverings	-	16,920	(691)	-	16,229
UNC Sewage Pump	-	12,132	-	-	12,132
Roofing Replacement	-	20,217	(1,578)	-	18,639
Bathrooms & Plumbing	-	15,969	(1,210)	-	14,759
Canopy/decking/window treatments	-	-	(247)	-	(247)
Totals	<u>278,504</u>	<u>190,235</u>	<u>(297,810)</u>	<u>5,693</u>	<u>176,622</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	176,869
Funds Receivable from the Ministry of Education	247

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Repairs to Tiger Turf	3,050	-	-	-	3,050
Upgrade of Security	4,954	-	-	-	4,954
Food Technology Classroom	20,000	312,432	(94,073)	-	238,359
Rainwater Harvesting Project	-	60,300	(71,386)	-	(11,086)
Block 9 Demolition	-	63,227	-	-	43,227
Totals	28,004	435,959	(165,459)	-	278,504

Represented by:

Funds Held on Behalf of the Ministry of Education	289,590
Funds Receivable from the Ministry of Education	11,086

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 Board members, Principal, Deputy Principals and Heads of Departments.

	2022 Actual	2021 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	-	-
<i>Leadership Team</i>		
Remuneration	482,334	476,166
Full-time equivalent members	4	4
Total key management personnel remuneration	482,334	476,166

Principal

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

	2022 Actual	2021 Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	140-150
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	5.00	3.00
110 -120	1.00	0.00
	<u>6.00</u>	<u>3.00</u>

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 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	0	10,966
Number of People	0	1

18. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets (except as noted below) 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.

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides and support staff employed in 2022. The Ministry is in the process of determining the amount of the final wash up calculation for the year ended 31 December 2022 and the impact of the final calculation on the financial statements is unable to be determined at the date of reporting. The School has therefore not recognised this wash up in its financial statements. The wash up is expected to be completed in July 2023.

19. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into no contract agreements for capital works.

(Capital commitments at 31 December 2021: \$0)

(b) Operating Commitments

As at 31 December 2022 the Board has entered into no contracts.

The total lease payments incurred during the period were \$0 (2021: \$0).

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	365,643	434,812	287,923
Receivables	196,755	212,130	212,130
Total Financial assets measured at amortised cost	<u>562,398</u>	<u>646,942</u>	<u>500,053</u>

Financial liabilities measured at amortised cost

Payables	573,040	378,542	389,509
Finance Leases	116,467	27,642	27,642
Total Financial Liabilities Measured at Amortised Cost	<u>689,507</u>	<u>406,184</u>	<u>417,151</u>

21. Events After Balance Date

The school has wastewater and stormwater issues across the school that we are currently managing and working with Maynad Marks Property Consultants to put in place a permanent repair. This is likely to be a civil engineering job that will require a complete replacement of the current system within the school. Ministry of Education Property team are aware and will be working alongside the school to fund this project

22. Comparatives

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

23. Financial Difficulties

The School is experiencing financial difficulties, at balance date the School has a working capital deficit of \$228,835. The financial difficulties have arisen mainly because the School has incurred several deficits over recent years. The School is managing this by tighter budgetary controls 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 meets its obligations as they fall due.