

KARORI NORMAL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 2874

Principal: Conrad Kelly

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KARORI NORMAL

Annual Report - For the year ended 31 December 2022

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Karori Normal

Member of the Board

For the year ended 31 December 2022

Name	Position	How Position Gained	Term Expired/ Expires
Conrad Kelly	Principal		
Simon Johnson	Chairperson	Re Elected	Sep-25
Blair Wightman	Parent Representative	Re Elected	Sep-25
Joe Benbow	Parent Representative	Elected	Sep-25
Rosemary Mose	Parent Representative	Elected	Sep-25
Natalie			
Vaughan-Sanders	Parent Representative	Elected	Sep-25
Phil McIntosh	Staff Representative	Appointed	Sep-25
Bronwyn Barberel	Parent Representative	Elected	Resigned Sep-22
Helena Court	Parent Representative	Elected	Resigned Sep-22
Nicole Rex	Parent Representative	Elected	Resigned Sep-22
Jacqui Croft	Staff Representative	Appointed	Resigned Sep-22

Karori Normal

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.

Simon Johnson

Full Name of Presiding Member

[Signature]

Signature of Presiding Member

10/7/23

Date:

Conrad Michael Kelly

Full Name of Principal

[Signature]

Signature of Principal

10/7/23

Date:

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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	5,990,143	5,858,513	5,048,433
Locally Raised Funds	3	384,282	483,500	310,494
Interest Income		21,689	4,500	5,382
Total Revenue		6,396,114	6,346,513	5,364,309
Expenses				
Locally Raised Funds	3	182,424	219,000	78,407
Learning Resources	4	4,262,276	4,250,161	4,091,752
Administration	5	331,291	260,942	237,992
Finance		3,061	3,000	2,183
Property	6	1,528,675	1,523,058	739,585
Loss on Disposal of Property, Plant and Equipment		6,918	3,000	7,878
		6,314,645	6,259,161	5,157,797
Net Surplus / (Deficit) for the year		81,469	87,352	206,512
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		81,469	87,352	206,512

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

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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		1,871,634	1,864,796	1,665,122
Total comprehensive revenue and expense for the year		81,469	87,352	206,512
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		25,665	-	-
Equity at 31 December		1,978,768	1,952,148	1,871,634

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.

Karori Normal

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	97,472	493,641	395,127
Accounts Receivable	8	337,850	285,842	292,680
GST Receivable		14,555	15,799	15,799
Prepayments		19,648	23,125	23,125
Inventories	9	389	447	447
Investments	10	985,620	510,000	510,000
		<u>1,455,534</u>	<u>1,328,854</u>	<u>1,237,178</u>
Current Liabilities				
Accounts Payable	12	367,657	359,419	359,419
Revenue Received in Advance	13	5,500	-	-
Provision for Cyclical Maintenance	14	9,000	74,971	74,971
Finance Lease Liability	15	27,761	37,506	18,414
Funds held for Capital Works Projects	16	119,327	-	28,706
		<u>529,245</u>	<u>471,896</u>	<u>481,510</u>
Working Capital Surplus/(Deficit)		926,289	856,958	755,668
Non-current Assets				
Property, Plant and Equipment	11	1,172,987	1,137,260	1,152,024
		<u>1,172,987</u>	<u>1,137,260</u>	<u>1,152,024</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	75,840	28,513	15,313
Finance Lease Liability	15	44,668	13,557	20,745
		<u>120,508</u>	<u>42,070</u>	<u>36,058</u>
Net Assets		<u><u>1,978,768</u></u>	<u><u>1,952,148</u></u>	<u><u>1,871,634</u></u>
Equity		<u><u>1,978,768</u></u>	<u><u>1,952,148</u></u>	<u><u>1,871,634</u></u>

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

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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		1,254,421	1,357,434	1,162,211
Locally Raised Funds		387,102	404,787	277,505
Goods and Services Tax (net)		1,244	(15,542)	(15,388)
Payments to Employees		(712,714)	(571,561)	(586,287)
Payments to Suppliers		(742,913)	(926,702)	(578,233)
Interest Paid		(3,061)	(3,000)	(2,183)
Interest Received		13,320	3,063	4,335
Net cash from/(to) Operating Activities		197,399	248,479	261,960
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	(3,000)	
Purchase of Property Plant & Equipment (and Intangibles)		(107,665)	36,786	(131,276)
Purchase of Investments		(475,620)	(160,000)	(410,000)
Proceeds from Sale of Investments		-	-	250,000
Net cash from/(to) Investing Activities		(583,285)	(126,214)	(291,276)
Cash flows from Financing Activities				
Furniture and Equipment Grant		25,665	-	
Finance Lease Payments		(28,055)	(147,584)	(26,744)
Funds Administered on Behalf of Third Parties		90,621	-	(92,428)
Net cash from/(to) Financing Activities		88,231	(147,584)	(119,172)
Net increase/(decrease) in cash and cash equivalents		(297,655)	(25,319)	(148,488)
Cash and cash equivalents at the beginning of the year	7	395,127	518,960	543,615
Cash and cash equivalents at the end of the year	7	97,472	493,641	395,127

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.

Karori Normal

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Karori Normal (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 20b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Finance Lease Payments

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

e) Cash and Cash Equivalents

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

f) Accounts Receivable

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

g) Inventories

Inventories are consumable items held for sale and comprised of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

h) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

i) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	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

j) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on comparison to recent market transactions.

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.

k) 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.

l) 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 accrued up 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.

m) Revenue Received in Advance

Revenue received in advance relates to fees received from 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.

n) 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 liquid assets to enable the funds to be used for their intended purpose at any time.

o) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of 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.

2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	1,280,512	1,159,990	1,169,049
Teachers' Salaries Grants	3,482,275	3,471,167	3,384,594
Use of Land and Buildings Grants	1,227,356	1,227,356	494,790
	<u>5,990,143</u>	<u>5,858,513</u>	<u>5,048,433</u>

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	160,922	184,500	214,742
Fees for Extra Curricular Activities	173,727	189,000	63,321
Trading	656	-	513
Fundraising & Community Grants	13,089	95,000	11,330
Other Revenue	35,888	15,000	20,588
	<u>384,282</u>	<u>483,500</u>	<u>310,494</u>
Expenses			
Extra Curricular Activities Costs	181,053	189,000	78,213
Trading	415	-	194
Fundraising and Community Grant Costs	956	30,000	-
	<u>182,424</u>	<u>219,000</u>	<u>78,407</u>
<i>Surplus for the year Locally raised funds</i>	<u>201,858</u>	<u>264,500</u>	<u>232,087</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	96,519	103,945	89,137
Information and Communication Technology	68,479	85,080	79,334
Library Resources	6,522	8,130	10,867
Employee Benefits - Salaries	3,909,118	3,862,288	3,752,982
Staff Development	40,529	35,000	28,515
Depreciation	141,109	155,718	130,917
	<u>4,262,276</u>	<u>4,250,161</u>	<u>4,091,752</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	7,400	7,200	7,162
Board Fees	3,612	5,500	3,795
Board Expenses	8,679	7,800	2,185
Communication	25,488	11,150	10,734
Other	41,540	37,880	36,562
Employee Benefits - Salaries	236,855	182,538	168,948
Insurance	7,717	8,874	8,606
	<u>331,291</u>	<u>260,942</u>	<u>237,992</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	124,700	170,038	117,473
Consultancy and Contract Services	-	-	1,925
Cyclical Maintenance Provision	(5,444)	13,200	(21,942)
Grounds	8,405	3,500	3,030
Heat, Light and Water	54,326	45,500	38,396
Rates	1,217	3,804	4,261
Repairs and Maintenance	52,437	51,500	44,499
Use of Land and Buildings	1,227,356	1,227,356	494,790
Security	8,810	8,160	5,459
Employee Benefits - Salaries	56,868	-	51,694
	<u>1,528,675</u>	<u>1,523,058</u>	<u>739,585</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	97,472	493,641	395,127
Cash and cash equivalents for Statement of Cash Flows	<u>97,472</u>	<u>493,641</u>	<u>395,127</u>

Of the \$97,472 Cash and Cash Equivalents, \$5,500 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

8. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Receivables	2,680	328	-
Receivables from the Ministry of Education	26,091	-	-
Interest Receivable	9,806	1,437	1,437
Teacher Salaries Grant Receivable	299,273	284,077	291,243
	<u>337,850</u>	<u>285,842</u>	<u>292,680</u>
Receivables from Exchange Transactions	12,486	1,765	1,437
Receivables from Non-Exchange Transactions	325,364	284,077	291,243
	<u>337,850</u>	<u>285,842</u>	<u>292,680</u>

9. Inventories

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Stationery	389	447	447
	<u>389</u>	<u>447</u>	<u>447</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	985,620	510,000	510,000
	<u>985,620</u>	<u>510,000</u>	<u>510,000</u>

Of the \$985,620 Investments, \$119,327 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.

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	582,033				(22,235)	559,798
Furniture and Equipment	319,721	27,134	(3,090)		(37,286)	306,479
Information and Communication Technology	99,560	61,168			(45,776)	114,952
Leased Assets	47,162	61,325			(20,926)	87,561
Library Resources	103,548	19,363	(3,828)		(14,886)	104,197
Balance at 31 December 2022	1,152,024	168,990	(6,918)	-	(141,109)	1,172,987

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	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	868,257	(308,459)	559,798	868,257	(286,224)	582,033
Furniture and Equipment	1,159,409	(852,930)	306,479	1,188,658	(868,937)	319,721
Information and Communication Technology	522,540	(407,588)	114,952	627,844	(528,284)	99,560
Leased Assets	161,425	(73,864)	87,561	100,100	(52,938)	47,162
Library Resources	385,639	(281,442)	104,197	378,147	(274,599)	103,548
Balance at 31 December	3,097,270	(1,924,283)	1,172,987	3,163,006	(2,010,982)	1,152,024

12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	47,985	53,191	53,191
Accruals	8,970	11,408	11,408
Employee Entitlements - Salaries	299,273	284,077	284,077
Employee Entitlements - Leave Accrual	11,429	10,743	10,743
	<u>367,657</u>	<u>359,419</u>	<u>359,419</u>
Payables for Exchange Transactions	367,657	359,419	359,419
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>367,657</u>	<u>359,419</u>	<u>359,419</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	5,500	-	-
	<u>5,500</u>	<u>-</u>	<u>-</u>

14. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	90,284	90,284	112,226
Increase to the Provision During the Year	(5,444)	13,200	(21,942)
Other Adjustments	-	-	-
Provision at the End of the Year	<u>84,840</u>	<u>103,484</u>	<u>90,284</u>
Cyclical Maintenance - Current	9,000	74,971	74,971
Cyclical Maintenance - Non current	75,840	28,513	15,313
	<u>84,840</u>	<u>103,484</u>	<u>90,284</u>

Per the cyclical maintenance schedule the school is next expected to undertake painting works during 2023 This plan is based on the schools 10 Year Property plan .

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	31,579	37,506	20,261
Later than One Year and no Later than Five Years	47,189	13,557	21,348
Future Finance Charges	(6,339)	-	(2,450)
	<u>72,429</u>	<u>51,063</u>	<u>39,159</u>
Represented by			
Finance lease liability - Current	27,761	37,506	18,414
Finance lease liability - Non current	44,668	13,557	20,745
	<u>72,429</u>	<u>51,063</u>	<u>39,159</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 investment in note 10.

2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Property Planning Project	28,706	25,000	(21,840)	-	31,866
Project LSM Access	-	25,410	-	-	25,410
Landscape/Playground Safety	-	245,951	(183,900)	-	62,051
Office Storage	-	40,596	(43,014)	2,418	-
Carpet Replacement	-	31,870	(31,870)	-	-
Totals	<u>28,706</u>	<u>368,827</u>	<u>(280,624)</u>	<u>2,418</u>	<u>119,327</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	119,327
Funds Receivable from the Ministry of Education	-

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Property Planning Project	48,180	-	19,474	-	28,706
Totals	<u>48,180</u>	<u>-</u>	<u>19,474</u>	<u>-</u>	<u>28,706</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	28,706
Funds Receivable from the Ministry of Education	-

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	3,612	3,795
<i>Leadership Team</i> Remuneration Full-time equivalent members	437,636 3	432,098 3
Total key management personnel remuneration	<u>441,248</u>	<u>435,893</u>

There are 6 members of the Board excluding the Principal. The Board held 9 full meetings of the Board during the year. The Board also has Finance Committee and Property Committee that meet. 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 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	160-170	160-170
Benefits and Other Emoluments	25-30	25-30
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	3
110-120	2	3
120-130	1	1
	<u>8</u>	<u>7</u>

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

19. 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.

20. Commitments

(a) Capital Commitments

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

- (a) \$25,410 contract for LSM Access to be completed in 2023, which will be fully funded by the Ministry of Education. \$25,410 has been received of which \$0 has been spent on the project to date; and
- (b) \$273,279 contract for Playground Safety to be completed in 2023, which will be fully funded by the Ministry of Education. \$245,951 has been received of which \$183,900 has been spent on the project to date.

(Capital commitments at 31 December 2021: \$322,830)

(b) Operating Commitments

As at 31 December 2022 the Board has entered into no contracts. (31 December 2021: \$nil)

21. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Financial assets measured at amortised cost

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Cash and Cash Equivalents	97,472	493,641	395,127
Receivables	337,850	285,842	292,680
Investments - Term Deposits	985,620	510,000	510,000
Total Financial assets measured at amortised cost	<u>1,420,942</u>	<u>1,289,483</u>	<u>1,197,807</u>

Financial liabilities measured at amortised cost

Payables	367,657	359,419	359,419
Finance Leases	72,429	51,063	39,159
Total Financial Liabilities Measured at Amortised Cost	<u>440,086</u>	<u>410,482</u>	<u>398,578</u>

22. Events After Balance Date

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