

RIMU SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 4006

Principal: Kate Webster

School Address: 442 Rimu Rd, RD 1, Invercargill

School Postal Address: 442 Rimu Rd, RD 1, Invercargill

School Phone: 03 230 4415

School Email: office@rimu.school.nz

Accountant / Service Provider:



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RIMU SCHOOL

Annual Report - For the year ended 31 December 2021

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Rimu 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.

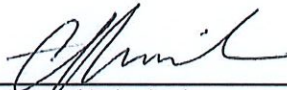
David Christopher Gibbs
Full Name of Presiding Member



Signature of Presiding Member

12.04.2023.
Date:

Esther Faith Hamilton
Full Name of Principal



Signature of Principal

12.04.2023
Date:

Rimu School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	965,908	989,000	1,035,283
Locally Raised Funds	3	56,128	52,000	59,260
Interest Income		599	1,500	2,177
		1,022,635	1,042,500	1,096,720
Expenses				
Locally Raised Funds	3	48,869	26,500	25,784
Learning Resources	4	697,643	737,750	733,478
Administration	5	74,537	64,300	69,858
Finance		1,276	-	1,005
Property	6	151,566	186,700	189,979
Depreciation	10	29,122	27,000	24,253
		1,003,013	1,042,250	1,044,357
Net Surplus / (Deficit) for the year		19,622	250	52,363
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		19,622	250	52,363

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

Rimu School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		400,573	388,458	348,210
Total comprehensive revenue and expense for the year		19,622	250	52,363
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		2,391	-	-
Equity at 31 December		422,586	388,708	400,573
Retained Earnings		422,586	388,708	400,573
Reserves		-	-	-
Equity at 31 December		422,586	388,708	400,573

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.

Rimu School

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	7	242,148	193,404	234,654
Accounts Receivable	8	58,807	48,000	49,022
GST Receivable		-	5,000	21,049
Funds due for Capital Works Projects	14	10,106		
Prepayments		5,455	4,000	4,094
Investments	9	52,735	51,004	52,277
		369,251	301,408	361,096
Current Liabilities				
GST Payable		17,816	-	-
Accounts Payable	11	71,104	60,000	60,150
Provision for Cyclical Maintenance	12	-	-	15,500
Finance Lease Liability	13	8,121	7,000	6,755
Funds held for Capital Works Projects	14	-	-	34,271
		97,041	67,000	116,676
Working Capital Surplus/(Deficit)		272,210	234,408	244,420
Non-current Assets				
Property, Plant and Equipment	10	166,543	169,500	167,904
		166,543	169,500	167,904
Non-current Liabilities				
Provision for Cyclical Maintenance	12	10,036	8,200	3,700
Finance Lease Liability	13	6,131	7,000	8,051
		16,167	15,200	11,751
Net Assets		422,586	388,708	400,573
Equity		422,586	388,708	400,573

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

Rimu School

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		238,719	219,000	239,953
Locally Raised Funds		55,190	52,000	59,689
Goods and Services Tax (net)		38,865	-	(25,889)
Payments to Employees		(70,877)	(80,500)	(49,836)
Payments to Suppliers		(182,868)	(167,750)	(175,319)
Interest Paid		(1,276)	-	(1,005)
Interest Received		599	1,500	2,177
Net cash from/(to) Operating Activities		78,352	24,250	49,770
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(19,740)	(11,500)	(24,336)
Purchase of Investments		(458)	-	(1,576)
Proceeds from Sale of Investments		-	-	42,458
Net cash from/(to) Investing Activities		(20,198)	(11,500)	16,546
Cash flows from Financing Activities				
Furniture and Equipment Grant		2,391	-	-
Finance Lease Payments		(8,674)	(13,000)	(15,748)
Funds Administered on Behalf of Third Parties		(44,377)	(41,000)	48,941
Net cash from/(to) Financing Activities		(50,660)	(54,000)	33,193
Net increase/(decrease) in cash and cash equivalents		7,494	(41,250)	99,509
Cash and cash equivalents at the beginning of the year	7	234,654	234,654	135,145
Cash and cash equivalents at the end of the year	7	242,148	193,404	234,654

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.

Rimu School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Rimu 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 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 10.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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.

d) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) Investments

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

j) Property, Plant and Equipment

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

Improvements 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
Furniture and equipment
Information and communication technology
Leased assets held under a Finance Lease
Library resources

20–50 years
5–10 years
5 years
Term of Lease
12.5% Diminishing value

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

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

Non cash generating assets

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

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

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

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

l) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

m) Employee Entitlements

Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned, by non teaching 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

n) 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.

o) 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.

The School's financial liabilities comprise accounts payable 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.

p) 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.

q) Budget Figures

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

s 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	221,711	210,000	214,786
Teachers' Salaries Grants	630,942	650,000	664,950
Use of Land and Buildings Grants	93,869	120,000	123,713
Other MoE Grants	18,717	8,000	31,034
Other Government Grants	669	1,000	800
	<u>965,908</u>	<u>989,000</u>	<u>1,035,283</u>

The school is not eligible for the donations scheme for this year.

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Donations & Bequests	15,897	14,000	22,447
Fees for Extra Curricular Activities	27,453	23,500	20,112
Trading	1,244	2,000	1,140
Other Revenue	11,534	12,500	15,561
	<u>56,128</u>	<u>52,000</u>	<u>59,260</u>
Expenses			
Extra Curricular Activities Costs	32,759	23,500	24,412
Trading	1,340	1,000	1,372
Other Locally Raised Funds Expenditure	14,770	2,000	-
	<u>48,869</u>	<u>26,500</u>	<u>25,784</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>7,259</u>	<u>25,500</u>	<u>33,476</u>

4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	26,302	26,750	30,767
Employee Benefits - Salaries	664,891	694,500	692,539
Staff Development	6,450	16,500	10,172
	<u>697,643</u>	<u>737,750</u>	<u>733,478</u>

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	5,000	3,500	3,700
Board Fees	3,076	4,000	2,365
Board Expenses	4,757	1,000	4,887
Communication	2,160	2,500	2,483
Consumables	3,160	4,200	3,180
Operating Lease	8,607	-	2,356
Legal Fees	-	-	-
Other	13,293	17,000	18,428
Employee Benefits - Salaries	23,612	23,000	21,412
Insurance	5,172	3,400	5,347
Service Providers, Contractors and Consultancy	5,700	5,700	5,700
	<u>74,537</u>	<u>64,300</u>	<u>69,858</u>

6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	3,179	1,700	2,052
Consultancy and Contract Services	18,954	17,000	17,568
Cyclical Maintenance Provision	(9,164)	4,500	5,488
Grounds	5,750	3,700	9,504
Heat, Light and Water	17,125	16,500	14,289
Repairs and Maintenance	8,537	10,300	14,152
Use of Land and Buildings	93,869	120,000	123,713
Employee Benefits - Salaries	13,316	13,000	3,213
	<u>151,566</u>	<u>186,700</u>	<u>189,979</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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	206,585	193,404	183,613
Short-term Bank Deposits	36,740	-	52,271
Visa	(1,177)	-	(1,230)
Cash and cash equivalents for Statement of Cash Flows	<u>242,148</u>	<u>193,404</u>	<u>234,654</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	983	-	45
Banking Staffing Underuse	5,212	-	-
Teacher Salaries Grant Receivable	52,612	48,000	48,977
	<u>58,807</u>	<u>48,000</u>	<u>49,022</u>
Receivables from Exchange Transactions	983	-	45
Receivables from Non-Exchange Transactions	57,824	48,000	48,977
	<u>58,807</u>	<u>48,000</u>	<u>49,022</u>

9. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	52,735	51,004	52,277
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	<u>52,735</u>	<u>51,004</u>	<u>52,277</u>

10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Land	4,000	-	-	-	-	4,000
Building Improvements	101,203	11,286	-	-	(6,473)	106,016
Furniture and Equipment	34,622	8,454	-	-	(10,820)	32,256
Information and Communication Technology	5,891	-	-	-	(3,346)	2,545
Leased Assets	22,188	8,021	-	-	(8,483)	21,726
Balance at 31 December 2021	<u>167,904</u>	<u>27,761</u>	<u>-</u>	<u>-</u>	<u>(29,122)</u>	<u>166,543</u>

The net carrying value of equipment held under a finance lease is \$21,726 (2020: \$22,188)

The net carrying value of motor vehicles held under a finance lease is \$000 (2020: \$000)

	2021	2021	2021	2020	2020	2020
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Land	4,000	-	4,000	4,000	-	4,000
Building Improvements	179,264	(73,248)	106,016	171,553	(70,350)	101,203
Furniture and Equipment	91,406	(59,150)	32,256	82,952	(48,330)	34,622
Information and Communication T	22,901	(20,356)	2,545	33,472	(27,581)	5,891
Leased Assets	44,423	(22,697)	21,726	51,572	(29,384)	22,188
Library Resources	17,367	(17,367)	-	17,367	(17,367)	-
Balance at 31 December	359,361	(192,818)	166,543	360,916	(193,012)	167,904

11. Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	8,007	6,000	3,758
Accruals	8,448	6,000	3,000
Banking Staffing Overuse	-	-	2,378
Employee Entitlements - Salaries	52,612	48,000	48,977
Employee Entitlements - Leave Accrual	2,037	-	2,037
	71,104	60,000	60,150
Payables for Exchange Transactions	71,104	60,000	60,150
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	71,104	60,000	60,150

The carrying value of payables approximates their fair value.

12. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	19,200	19,200	13,712
Increase/ (decrease) to the Provision During the Year	(9,164)	4,500	5,488
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	10,036	23,700	19,200
Cyclical Maintenance - Current	-	-	15,500
Cyclical Maintenance - Term	10,036	8,200	3,700
	10,036	8,200	19,200

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	8,121	7,000	6,755
Later than One Year and no Later than Five Years	6,131	7,000	8,051
Later than Five Years	-	-	-
Future Finance Charges	-	-	-
	<u>14,252</u>	<u>14,000</u>	<u>14,806</u>
Represented by			
Finance lease liability - Current	8,121	7,000	6,755
Finance lease liability - Term	6,131	7,000	8,051
	<u>14,252</u>	<u>14,000</u>	<u>14,806</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 in Cash and Cash Equivalents note 7.

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Interior Upgrades		34,271	194,441	238,817	-	(10,105)
Totals		<u>34,271</u>	<u>194,441</u>	<u>238,817</u>	<u>-</u>	<u>(10,105)</u>

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Due from the Ministry of Education

-
(10,105)

10,105

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Interior Upgrades		(8,003)	493,088	450,814	-	34,271
Totals		<u>(8,003)</u>	<u>493,088</u>	<u>450,814</u>	<u>-</u>	<u>34,271</u>

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.

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	3,076	2,365
<i>Leadership Team</i>		
Remuneration	219,703	217,878
Full-time equivalent members	2	2
Total key management personnel remuneration	222,779	220,243

There are 6 members of the Board excluding the Principal. The Board had held 9 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 finance and property matters.

Principal 1

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110-12	120-130
Benefits and Other Emoluments	3-4	3-4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100-110	-	-
	0.00	0.00

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:

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

18. Contingencies

There are no contingent liabilities 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 contract agreements for capital works as follows:

(a) Contract for Internal Upgrades to be completed in 2022, which will be fully funded by the Ministry of Education. \$687,529 has been received of which \$697,634 has been spent on the project to date;

(Capital commitments at 31 December 2020: \$47,941)

(b) Operating Commitments

As at 31 December 2021 there are no operating commitments. (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	242,148	193,404	234,654
Receivables	58,807	48,000	49,022
Investments - Term Deposits	52,735	51,004	52,277
Total Financial assets measured at amortised cost	<u>353,690</u>	<u>292,408</u>	<u>335,953</u>

Financial liabilities measured at amortised cost

Payables	71,104	60,000	60,150
Finance Leases	14,252	14,000	14,806
Total Financial Liabilities Measured at Amortised Cost	<u>85,356</u>	<u>74,000</u>	<u>74,956</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.