

# BALMACEWEN INTERMEDIATE SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### School Directory

<b>Ministry Number:</b>	3711
<b>Principal:</b>	Andrew Hunter
<b>School Address:</b>	44 Chapman Street, Wakari, Dunedin 9010
<b>School Postal Address:</b>	44 Chapman Street, Wakari, Dunedin 9010
<b>School Phone:</b>	03 466 7251
<b>School Email:</b>	<a href="mailto:office@balmacewen.school.nz">office@balmacewen.school.nz</a>

#### Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
David Cooper	Presiding Member	Elected	Sep-25
Andrew Hunter	Principal ex Officio		
Stacey Bond	Treasurer	Elected	Sep-25
Susan Cathro	Secretary		
Pieter Van de Klundert	Parent Representative	Elected	Sep-25
Kelly Macknight	Parent Representative	Elected	Sep-25
Ahmad Abdul-Raman	Parent Representative	Elected	Sep-25
Andrew Dawson	Presiding Member	Elected	Aug-22
Anna Smith	Parent Representative	Co-Opted	Aug-22
Trevor Breen	Parent Representative	Co-Opted	Aug-22
John Blaikie	Parent Representative	Co-Opted	Aug-22
Paul Kemmett	Staff Representative	Elected	

**Accountant / Service Provider:** Moore Markhams Otago

# BALMACEWEN INTERMEDIATE SCHOOL

Annual Report - For the year ended 31 December 2022

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# Balmacewen Intermediate School

## Statement of Responsibility

For the year ended 31 December 2022

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

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the school.

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

*David Cooper*

Full Name of Presiding Member

*[Signature]*

Signature of Presiding Member

*6/12/2023*

Date:

*Andrew Hunter*

Full Name of Principal

*[Signature]*

Signature of Principal

*6/12/2023*

Date:

# Balmacewen Intermediate School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>				
Government Grants	2	4,042,670	814,522	3,816,425
Locally Raised Funds	3	307,934	236,696	330,389
Interest Income		9,257	5,000	2,934
<b>Total Revenue</b>		<b>4,359,861</b>	<b>1,056,218</b>	<b>4,149,748</b>
<b>Expenses</b>				
Locally Raised Funds	3	237,125	213,000	234,478
Learning Resources	4	3,032,695	367,000	3,058,555
Administration	5	203,804	204,500	184,175
Finance		2,103	-	2,082
Property	6	907,040	263,000	857,185
Loss on Disposal of Property, Plant and Equipment		4,594	-	-
		<b>4,387,361</b>	<b>1,047,500</b>	<b>4,336,475</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>(27,500)</b>	<b>8,718</b>	<b>(186,727)</b>
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(27,500)</b>	<b>8,718</b>	<b>(186,727)</b>

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

# Balmacewen Intermediate School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Equity at 1 January</b>		1,237,498	1,237,498	1,442,093
Total comprehensive revenue and expense for the year		(27,500)	8,718	(186,727)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	26,405
Distribution to Equity		-	-	(44,273)
Contribution to Equity		36,901	-	-
<b>Equity at 31 December</b>		1,246,899	1,246,216	1,237,498
Accumulated comprehensive revenue and expense		1,246,899	1,246,216	1,237,498
<b>Equity at 31 December</b>		1,246,899	1,246,216	1,237,498

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.

# Balmacewen Intermediate School

## Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	522,049	136,311	127,593
Accounts Receivable	8	206,261	206,476	206,476
GST Receivable		-	15,807	15,807
Prepayments		17,315	15,732	15,732
Investments	9	326,079	107,548	107,548
		<u>1,071,704</u>	<u>481,874</u>	<u>473,156</u>
<b>Current Liabilities</b>				
GST Payable		12,200	-	-
Accounts Payable	11	311,369	253,668	253,668
Revenue Received in Advance	12	21,497	22,283	22,283
Provision for Cyclical Maintenance	13	98,000	15,300	15,300
Finance Lease Liability	14	15,059	15,164	15,164
Funds held for Capital Works Projects	15	204,945	-	-
		<u>663,070</u>	<u>306,415</u>	<u>306,415</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>408,634</b>	<b>175,459</b>	<b>166,741</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	917,421	997,370	997,370
		<u>917,421</u>	<u>1,210,989</u>	<u>1,210,989</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	59,000	107,200	107,200
Finance Lease Liability	14	20,156	33,032	33,032
		<u>79,156</u>	<u>140,232</u>	<u>140,232</u>
<b>Net Assets</b>		<u><u>1,246,899</u></u>	<u><u>1,246,216</u></u>	<u><u>1,237,498</u></u>
<b>Equity</b>		<u><u>1,246,899</u></u>	<u><u>1,246,216</u></u>	<u><u>1,237,498</u></u>

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

# Balmacewen Intermediate School

## Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,085,535	814,522	956,957
Locally Raised Funds		333,528	228,000	286,669
International Students		13,647	8,696	28,000
Goods and Services Tax (net)		28,008	-	11,496
Payments to Employees		(686,554)	(307,000)	(684,645)
Payments to Suppliers		(555,747)	(640,500)	(632,127)
Interest Paid		(2,103)	-	(1,275)
Interest Received		8,033	5,000	3,099
Net cash from/(to) Operating Activities		224,347	108,718	(31,826)
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(53,844)	(100,000)	(76,635)
Purchase of Investments		(218,531)	-	105,134
Net cash from/(to) Investing Activities		(272,375)	(100,000)	28,499
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	26,405
Finance Lease Payments		(15,805)	-	(21,644)
Loans Received		2,824	-	-
Funds Administered on Behalf of Third Parties		241,846	-	(91,930)
Net cash from/(to) Financing Activities		228,865	-	(87,169)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>180,837</b>	<b>8,718</b>	<b>(90,496)</b>
Cash and cash equivalents at the beginning of the year	7	341,212	341,212	431,708
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>522,049</b>	<b>349,930</b>	<b>341,212</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

# Balmacewen Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Balmacewen Intermediate 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 13.

###### **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. 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 14. 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.

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***

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

### ***Donations, Gifts and Bequests***

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

### ***Interest Revenue***

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

## **d) Operating Lease Payments**

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

## **e) Finance Lease Payments**

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

## **f) Cash and Cash Equivalents**

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

## **g) Accounts Receivable**

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

## **h) 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 to Crown Owned Assets	10–50 years
Furniture and equipment	10–50 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3–4 years
Library resources	10 years

## **j) Intangible Assets**

### **Software costs**

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

#### **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. 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.

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 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.

#### **n) Revenue Received in Advance**

Revenue received in advance relates to fees received from international students and student fees in advance 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.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

#### **o) 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.

#### **p) 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 school 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.

**q) Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the school may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

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

**r) Borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

**s) 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.

**t) Budget Figures**

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

**u) Services received in-kind**

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

## 2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	1,089,705	814,522	956,957
Teachers' Salaries Grants	2,343,201	-	2,306,354
Use of Land and Buildings Grants	602,504	-	545,464
Other Government Grants	7,260	-	7,650
	<u>4,042,670</u>	<u>814,522</u>	<u>3,816,425</u>

The school has not opted in to the donations scheme for this year.

## 3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>			
Donations & Bequests	47,837	42,000	48,330
Fees for Extra Curricular Activities	195,341	142,000	179,866
Trading	41,803	44,000	10,055
Fundraising & Community Grants	2,080	-	21,769
Other Revenue	7,226	-	42,369
International Student Fees	13,647	8,696	28,000
	<u>307,934</u>	<u>236,696</u>	<u>330,389</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	205,052	146,000	212,544
Trading	27,392	67,000	9,262
Fundraising and Community Grant Costs	4,681	-	1,805
Other Locally Raised Funds Expenditure	-	-	10,867
	<u>237,125</u>	<u>213,000</u>	<u>234,478</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>70,809</u>	<u>23,696</u>	<u>95,911</u>

During the year the School hosted 1 International student (2021:2)

#### 4. Learning Resources

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Curricular	37,038	66,000	51,257
Equipment Repairs	-	1,000	-
Library Resources	857	6,000	1,670
Employee Benefits - Salaries	2,848,625	167,000	2,861,551
Staff Development	16,977	27,000	15,323
Depreciation	129,198	100,000	128,754
	<u>3,032,695</u>	<u>367,000</u>	<u>3,058,555</u>

#### 5. Administration

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Audit Fee	4,842	4,500	5,655
Board Fees	1,300	8,500	1,990
Board Expenses	6,444	4,500	3,833
Communication	11,246	10,500	11,290
Consumables	21,963	29,500	25,691
Operating Lease	-	-	2,203
Other	36,224	41,500	27,874
Employee Benefits - Salaries	107,926	92,000	92,715
Insurance	9,493	9,000	8,874
Service Providers, Contractors and Consultancy	4,366	4,500	4,050
	<u>203,804</u>	<u>204,500</u>	<u>184,175</u>

#### 6. Property

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	90,359	89,500	85,190
Cyclical Maintenance Provision	34,500	20,000	53,250
Grounds	16,586	10,500	26,015
Heat, Light and Water	47,630	50,000	40,427
Rates	15,764	12,500	12,259
Repairs and Maintenance	41,379	29,500	40,560
Use of Land and Buildings	602,504	-	545,464
Security	1,634	3,000	767
Employee Benefits - Salaries	56,684	48,000	53,253
	<u>907,040</u>	<u>263,000</u>	<u>857,185</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	\$ 522,049	\$ 136,311	\$ 127,593
Cash and cash equivalents for Statement of Cash Flows	<u>522,049</u>	<u>136,311</u>	<u>127,593</u>

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

Of the \$522,049 Cash & Cash Equivalents, \$204,945 is held by the school on behalf of the Ministry of Education. These funds have been provided for 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 on Crown owned school buildings.

## 8. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Receivables	\$ -	\$ 9,004	\$ 9,004
Interest Receivable	1,875	651	651
Teacher Salaries Grant Receivable	204,386	196,821	196,821
	<u>206,261</u>	<u>206,476</u>	<u>206,476</u>
Receivables from Exchange Transactions	1,875	9,655	9,655
Receivables from Non-Exchange Transactions	204,386	196,821	196,821
	<u>206,261</u>	<u>206,476</u>	<u>206,476</u>

## 9. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Current Asset	\$	\$	\$
Short-term Bank Deposits	326,079	107,548	107,548
Total Investments	<u>326,079</u>	<u>107,548</u>	<u>107,548</u>

## 10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	665,976	2,750	-	-	(37,246)	631,480
Furniture and Equipment	165,597	20,878	-	-	(32,903)	153,572
Information and Communication Technology	78,149	23,041	(4,594)	-	(33,387)	63,209
Motor Vehicles	4,354	-	-	-	(2,024)	2,330
Leased Assets	47,988	2,824	-	-	(16,262)	34,550
Library Resources	35,306	4,351	-	-	(7,376)	32,281
<b>Balance at 31 December 2022</b>	<b>997,370</b>	<b>53,844</b>	<b>(4,594)</b>	<b>-</b>	<b>(129,198)</b>	<b>917,422</b>

### Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor 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	1,166,675	(535,195)	631,480	1,163,925	(497,949)	665,976
Furniture and Equipment	906,057	(752,485)	153,572	889,246	(723,649)	165,597
Information and Communication T	236,396	(173,187)	63,209	250,523	(172,374)	78,149
Motor Vehicles	43,279	(40,949)	2,330	43,279	(38,925)	4,354
Leased Assets	81,504	(46,955)	34,549	170,299	(122,311)	47,988
Library Resources	94,874	(62,593)	32,281	90,928	(55,622)	35,306
<b>Balance at 31 December</b>	<b>2,528,785</b>	<b>(1,611,364)</b>	<b>917,421</b>	<b>2,608,200</b>	<b>(1,610,830)</b>	<b>997,370</b>



## 11. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	80,515	33,452	14,844
Accruals	26,468	6,875	6,875
Banking Staffing Overuse	-	-	18,608
Employee Entitlements - Salaries	204,386	213,341	213,341
	<u>311,369</u>	<u>253,668</u>	<u>253,668</u>
Payables for Exchange Transactions	311,369	253,668	253,668
	<u>311,369</u>	<u>253,668</u>	<u>253,668</u>

The carrying value of payables approximates their fair value.

## 12. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
International Student Fees in Advance	14,000	14,000	14,000
Other revenue in Advance	7,497	8,283	8,283
	<u>21,497</u>	<u>22,283</u>	<u>22,283</u>

## 13. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	122,500	122,500	82,250
Increase to the Provision During the Year	34,500	-	34,500
Use of the Provision During the Year	-	-	(13,000)
Other Adjustments	-	-	18,750
Provision at the End of the Year	<u>157,000</u>	<u>122,500</u>	<u>122,500</u>
Cyclical Maintenance - Current	98,000	15,300	15,300
Cyclical Maintenance - Non current	59,000	107,200	107,200
	<u>157,000</u>	<u>122,500</u>	<u>122,500</u>

#### 14. 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	16,237	15,164	17,100
Later than One Year and no Later than Five Years	20,499	33,032	34,314
Later than Five Years	(1,520)	-	(3,218)
	35,215	48,196	48,196
<b>Represented by</b>			
Finance lease liability - Current	15,059	15,164	15,164
Finance lease liability - Non current	20,156	33,032	33,032
	35,215	48,196	48,196

#### 15. 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 \$
Siteworks	-	47,505	(10,604)	(36,901)	-
Roofing, Electrical and ILE Upgrades	-	349,216	(144,271)	-	204,945
Totals	-	396,721	(154,875)	(36,901)	204,945

#### Represented by:

Funds Held on Behalf of the Ministry of Education	204,945
Funds Receivable from the Ministry of Education	-

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Siteworks	91,930	-	(136,203)	44,273	-
Totals	91,930	-	(136,203)	44,273	-

#### Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	-

## 16. 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.

## 17. 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	1,300	1,990
<i>Leadership Team</i>		
Remuneration	611,748	582,675
Full-time equivalent members	5	5
Total key management personnel remuneration	613,048	584,665

There are 7 members of the Board excluding the Principal. The Board had held 6 full meetings of the Board in the year. The Board also has members responsible for Finance (Stacey Bond) and Property (Ahmad Abdul-Raman) that meet monthly. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### Principal

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	150 - 160	150 - 160
Benefits and Other Emoluments	25 - 30	20 - 25

### 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
110 - 120	1	1
100 - 110	3	3
	4	4

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

## 18. 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	-	-
Number of People	-	-

## 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) \$992,161 contract for Roofing, Electrical and ILE upgrades to be completed over the next 5 years. This project is fully funded by the Ministry and \$349,216 has been received of which \$144,271 has been spent on the project to balance date. This project has been approved by the Ministry.

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

### (b) Operating Commitments

As at 31 December 2022 the Board has entered into the following contracts:

(a) A telephone system leased from Cogent

(b) Cellphones leased from Vodafone

	2022 Actual	2021 Actual
	\$	\$
No later than One Year	4,716	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>4,716</u>	<u>-</u>

The total lease payments incurred during the period were \$4,908 (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	522,049	136,311	341,212
Receivables	206,261	206,476	206,476
Investments - Term Deposits	326,079	107,548	107,548
Total Financial assets measured at amortised cost	<u>1,054,389</u>	<u>450,335</u>	<u>655,236</u>

### Financial liabilities measured at amortised cost

Payables	311,369	253,668	253,668
Finance Leases	35,215	48,196	48,196
Total Financial Liabilities Measured at Amortised Cost	<u>346,584</u>	<u>301,864</u>	<u>301,864</u>

## 22. Events After Balance Date

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

## 23. Comparatives

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

## **Compliance with the Good Employer Policy**

The School Board:

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