



29 July 2023

Sungesh Singh  
UHY Haines Norton (Auckland) Limited  
22 Catherine Street,  
Henderson,  
Auckland 0612

### **REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2022**

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of Rutherford Primary School (the School) for the year ended 31 December 2022 for the purpose of expressing an independent opinion about whether the financial statements:

- present fairly, in all material respects:
  - the financial position as at 31 December 2022; and
  - the financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

#### **General representations**

To the best of our knowledge and belief:

- the resources, activities, under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud or error, and which enables the preparation of the financial statements that are free from material misstatement whether due to fraud or error.

## **Representations for the financial statements**

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 87 of the Education Act 1989 and, in particular, that the financial statements:
  - present fairly, in all material respects:
    - the financial position as at 31 December 2022; and
    - the financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.
- we believe the methods, significant assumptions, and data used in making and supporting the accounting estimates and the related disclosures in the financial statements are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure;
- we confirm that there are no uncorrected misstatements in the financial statements that we are aware of, which need to be brought to the auditor's attention; and
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

## **Representations about the provision of information**

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
  - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements; and
  - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and

- we have provided you with all the other documents (“other information”) which will accompany the financial statements which are consistent with one another, and the other information does not contain any material misstatements.

### **Going concern basis of accounting**

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2022. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from 29 July 2023, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, surrounding the adoption of the going concern basis of accounting by the School.

### **Publication of the financial statements and related audit report on a website**

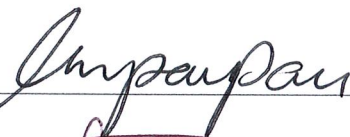
We confirm that we are responsible for the electronic presentation of the audited financial statements, and:

- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.
- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully

Chairperson



Principal



# RUTHERFORD PRIMARY SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### School Directory

<b>Ministry Number:</b>	1478
<b>Principal:</b>	Amanda Bennett
<b>School Address:</b>	2 Kotuku Street Te Atatu Pensinsula
<b>School Postal Address:</b>	2 Kotuku Street Te Atatu Pensinsula
<b>School Phone:</b>	09 834 5467
<b>School Email:</b>	<a href="mailto:office@rutherfordprimary.school.nz">office@rutherfordprimary.school.nz</a>

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Out of Office</b>
Ingrid Papau	Presiding Member	Elected	Sept 2023
Amanda Bennett	Principal ex Officio	Appointed	
Paul O'Leary-Ryan	Staff Rep	Elected	Sept 2023
Jeff Ruha	Parent Rep	Elected	Sept 2023
Roshan Allpress	Parent Rep	Elected	Sept 2023
Gina Cotton	Parent Rep	Elected	Sept 2023
Fran Hooper	Parent Rep	Elected	Sept 2023

**Accountant / Service Provider:** Top Class Financial Management Services

# RUTHERFORD PRIMARY SCHOOL

Financial Statements - For the year ended 31 December 2022

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### **Other Information**

Analysis of Variance

Kiwi Sport

# Rutherford Primary School

## Statement of Responsibility

For the year ended 31 December 2022

The Board of Trustees 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.

Ingrid Papay  
Full Name of Board Chairperson

Annade Bennett  
Full Name of Principal

  
Signature of Board Chairperson

  
Signature of Principal

2/8/23  
Date:

2/8/23  
Date:

**Rutherford Primary 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	3,570,960	3,084,754	3,539,195
Locally Raised Funds	3	90,968	25,500	33,222
Interest Earned		7,244	5,000	2,247
		<u>3,669,172</u>	<u>3,115,254</u>	<u>3,574,664</u>
<b>Expenses</b>				
Locally Raised Funds	3	51,226	19,000	17,103
Learning Resources	4	2,296,614	2,053,450	2,347,055
Administration	5	223,403	190,783	187,605
Finance		1,886	3,500	2,816
Property	6	924,096	873,650	879,641
Loss on Disposal of Property, Plant and Equipment		2,913	1,100	4,320
		<u>3,500,138</u>	<u>3,141,483</u>	<u>3,438,540</u>
<b>Net Surplus for the year</b>		169,034	(26,229)	136,124
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>169,034</u>	<u>(26,229)</u>	<u>136,124</u>

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

**Rutherford Primary School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2022

	Actual 2022 \$	Budget (Unaudited) 2022 \$	Actual 2021 \$
<b>Balance at 1 January</b>	705,082	705,082	568,958
Total comprehensive revenue and expense for the year	169,034	(26,229)	136,124
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	32,728	-	-
<b>Equity at 31 December</b>	906,844	678,853	705,082
Retained Earnings	906,844	678,853	705,082
<b>Equity at 31 December</b>	906,844	678,853	705,082

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.



**Rutherford Primary 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	580,790	312,611	297,497
Accounts Receivable	8	181,602	169,464	169,464
GST Receivable		2,744	13,597	13,597
Prepayments		8,676	21,411	21,411
Investments	9	206,157	202,837	202,837
		<u>979,969</u>	<u>719,920</u>	<u>704,806</u>
<b>Current Liabilities</b>				
Accounts Payable	11	182,396	183,728	183,728
Provision for Cyclical Maintenance	12	50,509	45,000	6,667
Finance Lease Liability	13	10,812	9,000	12,219
Funds held for Capital Works Projects	14	52,101	-	-
		<u>295,818</u>	<u>237,728</u>	<u>202,614</u>
<b>Working Capital Surplus</b>		684,151	482,192	502,192
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	304,142	275,661	305,761
		<u>304,142</u>	<u>275,661</u>	<u>305,761</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	12	67,192	69,000	90,370
Finance Lease Liability	13	14,257	10,000	12,501
		<u>81,449</u>	<u>79,000</u>	<u>102,871</u>
<b>Net Assets</b>		<u>906,844</u>	<u>678,853</u>	<u>705,082</u>
<b>Equity</b>		<u>906,844</u>	<u>678,853</u>	<u>705,082</u>

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

**Rutherford Primary School**  
**Budget Statement of Cash Flows**  
For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		929,961	800,754	891,592
Locally Raised Funds		86,988	25,500	32,170
Goods and Services Tax (net)		10,853	-	(5,131)
Payments to Employees		(411,795)	(397,600)	(390,703)
Payments to Suppliers		(333,029)	(333,483)	(294,096)
Cyclical Maintenance Payments in the year		-	(13,737)	(76,488)
Interest Paid		(1,886)	(3,500)	(2,816)
Interest Received		6,673	5,000	2,351
Net cash from / (to) the Operating Activities		287,765	82,934	156,879
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment		(2,913)	(1,100)	(4,320)
Purchase of Property Plant & Equipment		(88,879)	(15,120)	(38,721)
Purchase of Investments		(3,320)	-	(2,044)
Net cash from / (to) the Investing Activities		(95,112)	(16,220)	(45,085)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		32,728	-	-
Finance Lease Payments		5,811	(51,600)	(8,855)
Funds Held for Capital Works Projects		52,101	-	(8,348)
Net cash from / to Financing Activities		90,640	(51,600)	(17,203)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>283,293</b>	<b>15,114</b>	<b>94,591</b>
Cash and cash equivalents at the beginning of the year	8	297,497	297,497	202,906
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>580,790</b>	<b>312,611</b>	<b>297,497</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.

# Rutherford Primary School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Rutherford Primary 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 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 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**

The 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. 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 23. Future operating lease commitments are disclosed in note 13.

##### *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**

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 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. 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 (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	10–20 years
Furniture and equipment	10 years
Information and communication technology	3–10 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

### **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 benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

### **m) 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.

### **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 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.

**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 initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. 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.

**r) 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	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	776,480	645,554	739,612
Teachers' salaries grants	1,898,734	1,600,000	1,953,460
Use of Land and Buildings grants	729,531	684,000	683,261
Other government grants	166,215	155,200	162,862
	<u>3,570,960</u>	<u>3,084,754</u>	<u>3,539,195</u>

The school has opted in to the donations scheme for this year. Total amount received was \$55,650.

## 3. Locally Raised Funds

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations & Bequests	11,214	2,500	4,990
Fundraising & Community Grants	46,497	8,000	6,078
Fees for Extra Curricular Activities	33,257	15,000	22,154
	<u>90,968</u>	<u>25,500</u>	<u>33,222</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	19,334	16,000	11,928
Trading	-	-	1,399
Fundraising and Community Grant Costs	31,892	3,000	3,776
	<u>51,226</u>	<u>19,000</u>	<u>17,103</u>
<i>Surplus for the year Locally raised funds</i>	<u>39,742</u>	<u>6,500</u>	<u>16,119</u>

## 4. Learning Resources

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	31,295	32,650	21,831
Information and communication technology	24,058	23,500	24,517
Library resources	1,763	2,200	-
Employee benefits - salaries	2,139,450	1,863,000	2,201,602
Staff development	15,012	41,000	15,040
Depreciation	85,036	91,100	84,065
	<u>2,296,614</u>	<u>2,053,450</u>	<u>2,347,055</u>



## 5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	8,107	7,871	6,207
Board of Trustees Fees	4,370	4,550	4,220
Board of Trustees Expenses	9,255	10,700	5,649
Communication	2,450	3,000	2,780
Consumables	12,607	13,100	11,557
Operating Lease	36,420	37,262	36,262
Other	4,419	3,850	2,932
Postage	-	150	28
Employee Benefits - Salaries	127,873	89,300	97,602
Insurance	4,902	8,500	4,868
Service Providers, Contractors and Consultancy	13,000	12,500	15,500
	<u>223,403</u>	<u>190,783</u>	<u>187,605</u>

## 6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	20,521	20,000	17,597
Consultancy and Contract Services	39,178	40,000	43,277
Cyclical Maintenance Provision	20,664	30,700	36,379
Grounds	9,797	6,500	4,144
Heat, Light and Water	45,213	33,000	33,598
Rates	123	150	123
Repairs and Maintenance	8,710	8,500	10,672
Use of Land and Buildings	729,530	684,000	683,261
Security	5,148	5,500	3,352
Employee Benefits - Salaries	45,212	45,300	47,238
	<u>924,096</u>	<u>873,650</u>	<u>879,641</u>

## 7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	580,790	312,611	297,497
Cash equivalents for Cash Flow Statement	<u>580,790</u>	<u>312,611</u>	<u>297,497</u>

Of the **\$580,790** Cash and Cash Equivalents, **\$52,101** is held by the School on behalf of the Ministry of Education. These funds are required to be spent in **2023** on Crown owned school buildings under the School's Five Year Property Plan.

## 8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	13,217	9,237	9,237
Receivables from the Ministry of Education	25,967	13,233	13,233
Interest Receivable	895	324	324
Teacher Salaries Grant Receivable	141,523	146,670	146,670
	<u>181,602</u>	<u>169,464</u>	<u>169,464</u>
Receivables from Exchange Transactions	14,112	9,561	9,561
Receivables from Non-Exchange Transactions	167,490	159,903	159,903
	<u>181,602</u>	<u>169,464</u>	<u>169,464</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	206,157	202,837	202,837
Total Investments	<u>206,157</u>	<u>202,837</u>	<u>202,837</u>

## 10. Property, Plant and Equipment

2022	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	17,141	-	-	-	(15,393)	<b>1,748</b>
Furniture and Equipment	212,820	64,957		-	(43,570)	<b>234,207</b>
Information and Communication Technology	23,524	3,999	(269)	-	(7,052)	<b>20,202</b>
Leased Assets	22,913	13,442	(785)	-	(15,092)	<b>20,478</b>
Library Resources	29,363	3,952	(1,879)	-	(3,929)	<b>27,507</b>
<b>Balance at 31 December 2022</b>	<u>305,761</u>	<u>86,350</u>	<u>(2,933)</u>	<u>-</u>	<u>(85,036)</u>	<u><b>304,142</b></u>

The net carrying value of equipment held under a finance lease is **\$20,478 (2021: \$22,913)**

	2022 Cost or \$	2022 Accumulated \$	2022 Net Book \$	2021 Cost or \$	2021 Accumulated \$	2021 Net Book \$
Building Improvements	360,758	(359,010)	<b>1,748</b>	360,758	(343,617)	<b>17,141</b>
Furniture and Equipment	537,658	(303,451)	<b>234,207</b>	472,701	(259,881)	<b>212,820</b>
Information and Communication Technology	70,748	(50,546)	<b>20,202</b>	67,599	(44,075)	<b>23,524</b>
Leased Assets	40,418	(19,940)	<b>20,478</b>	45,880	(22,967)	<b>22,913</b>
Library Resources	58,277	(30,770)	<b>27,507</b>	58,038	(28,675)	<b>29,363</b>
<b>Balance at 31 December</b>	<u>1,067,859</u>	<u>(763,717)</u>	<u><b>304,142</b></u>	<u>1,004,976</u>	<u>(699,215)</u>	<u><b>305,761</b></u>

## 11. Accounts Payable

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	15,930	14,664	14,664
Accruals	9,425	8,882	8,882
Employee Entitlements - salaries	151,049	151,796	151,796
Employee Entitlements - leave accrual	5,992	8,386	8,386
	<u>182,396</u>	<u>183,728</u>	<u>183,728</u>
Payables for Exchange Transactions	182,396	183,728	183,728
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>182,396</u>	<u>183,728</u>	<u>183,728</u>

The carrying value of payables approximates their fair value.

## 12. Provision for Cyclical Maintenance

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	97,037	97,037	137,146
Increase to the Provision During the Year	20,664	30,700	36,379
Use of the Provision During the Year	-	(13,737)	(76,488)
Other Adjustments	-	-	-
Provision at the End of the Year	<u>117,701</u>	<u>114,000</u>	<u>97,037</u>
Cyclical Maintenance - Current	50,509	45,000	6,667
Cyclical Maintenance - Non current	67,192	69,000	90,370
	<u>117,701</u>	<u>114,000</u>	<u>97,037</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. The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan.

## 13. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	12,585	10,500	12,995
Later than One Year and no Later than Five Years	15,426	11,000	21,053
Later than Five Years	-	-	-
Future Finance Charges	(2,942)	(2,500)	(4,638)
	<u>25,069</u>	<u>19,000</u>	<u>29,410</u>
<b>Represented by</b>			
Finance lease liability - Current	10,812	9,000	12,219
Finance lease liability - Non current	14,257	10,000	12,501
	<u>25,069</u>	<u>19,000</u>	<u>24,720</u>

#### 14. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects: The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	2022	\$	\$	\$		\$
Classroom Conversion	<i>in progress</i>	(1,229)	-	-	-	(1,229)
Fire & Safety MOE Project	<i>in progress</i>	(2,350)	-	-	-	(2,350)
SIP Staffroom Upgrade	<i>completed</i>	(62)	9,592	(9,530)	-	-
SIP Astro Turf	<i>in progress</i>	(9,592)	9,943	-	-	351
SIP Block 3 Replace Windows	<i>completed</i>	-	20,378	(20,338)	(40)	-
SIP Pool Fencing	<i>completed</i>	-	18,500	(18,500)	-	-
Rooms 1, 7, 11 Electrical Infrastructure	<i>in progress</i>	-	35,640	-	-	35,640
Rooms 1, 10, 11 Heating	<i>in progress</i>	-	16,110	-	-	16,110
Totals		(13,233)	110,163	(48,368)	(40)	48,522

#### Represented by:

Funds Held on Behalf of the Ministry of Education	(52,101)
Funds Receivable from the Ministry of Education	3,579
	<u>(48,522)</u>

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	2021	\$	\$	\$		\$
Classroom Conversion	<i>in progress</i>	8,348	66,783	(76,360)	-	(1,229)
Fire & Safety MOE Project	<i>in progress</i>	(2,350)	-	-	-	(2,350)
SIP Staffroom Upgrade	<i>in progress</i>	-	86,332	(86,394)	-	(62)
SIP Astro Turf	<i>in progress</i>	-	89,489	(99,432)	351	(9,592)
Totals		5,998	242,604	(262,186)	351	(13,233)

#### Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	13,233
	<u>13,233</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.

There were no related party transactions during the year ended 31 December 2022. (2021: nil).

## 16. Remuneration

### Key management personnel compensation

Key management personnel of the School include all Board members, Principal, Deputy Principals and Heads of Departments.

	<b>2022 Actual \$</b>	<b>2021 Actual \$</b>
<i>Board Members</i>		
Remuneration	4,370	4,220
<i>Leadership Team</i>		
Remuneration	753,830	783,935
Full-time equivalent members	7.00	7.00
Total key management personnel remuneration	<u>758,200</u>	<u>788,155</u>

There are 6 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. The Board also has 2 fundraising committee members, 1 health and safety committee member and 1 property member that meet monthly. 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. They have also met to consider complaints received. The board met once and 1 board member met once to develop the strategic plan.

### Principal

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

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

### Other Employees

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

<b>Remuneration \$000</b>	<b>2022 FTE Number</b>	<b>2021 FTE Number</b>
110 - 120	-	-
100 - 110	4	3
	<u>4.00</u>	<u>3.00</u>

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

## 17. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	<b>2022 Actual</b>	<b>2021 Actual</b>
Total	-	-
Number of People	-	-

## 18. Contingencies

There are no contingent liabilities 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.

## 19. Commitments

### (a) Capital Commitments

As at 31 December 2022 the Board has no Capital Commitments.

(Capital Commitments at 31 December 2021: nil)

### (b) Operating Commitments

As at 31 December 2022 the School has entered into the following contract.

(a) operating lease of information technology equipment

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	24,175	36,262	36,262
Later than One Year and no Later than Five Years	-	-	24,175
Later than Five Years	-	-	-
	<u>24,175</u>	<u>36,262</u>	<u>60,437</u>

The total lease payments incurred during the period were \$36,262 (2021 \$36,262)

## 20. Financial Instruments

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

### Financial assets measured at amortised cost

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	580,790	312,611	297,497
Receivables	181,602	169,464	169,464
Investments - Term Deposits	206,157	202,837	202,837
Total Financial Assets at amortised cost	<u>968,549</u>	<u>684,912</u>	<u>669,798</u>

### Financial liabilities measured at amortised cost

Payables	182,396	183,728	183,728
Finance Leases	25,069	19,000	24,720
Total Financial Liabilities Measured at Amortised Cost	<u>207,465</u>	<u>202,728</u>	<u>208,448</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.