

# MASSEY HIGH SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### School Directory

<b>Ministry Number:</b>	43
<b>Principal:</b>	Glen Denham to 1 May 2022 / Alastair Fairley 1 May 2022 onwards
<b>School Address:</b>	274 Don Buck Road, Massey, Auckland, 6014
<b>School Postal Address:</b>	274 Don Buck Road, Massey, Auckland, 6014
<b>School Phone:</b>	64 09 831 0500
<b>School Email:</b>	office@masseyhigh.school.nz

#### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired</b>
Glen Denham	Principal	Principal (end 1 May 2022)	
Alastair Fairley	Principal	Principal 1 May 2022 onwards	
Aref Osman	Student Rep	Elected September 2021	Aug-22
Henry Fisher	Student Rep	Elected September 2022	Aug-23
Catherine Clark	Deputy Chair	Re-elected June 2019	Jun-22
Desiree Tukutama	Parent Rep	Elected June 2019	Jun-22
Ella Shepherd	Parent Rep	Elected June 2019	Jun-22
Jane McDonough	Parent Rep	Co-Opted August 2020	Jun-22
John Garelja	Chairperson	Re-elected June 2019	Jun-22
Karl Goddard	Staff Rep	Re-elected June 2019	Jun-22
Robyn Dangen	Parent Rep	Elected June 2019	Jun-22
Wade Hansen	Parent Rep	Re-elected June 2019	Jun-22
Wade Hansen	Parent Rep	Re-elected June 2022 (Chair)	Jun-25
Desiree Tukutama	Parent Rep	Re-elected June 2022	Jun-25
Jane McDonough	Parent Rep	Re-elected June 2022	Jun-25
Anna Latu	Parent Rep	Elected June 2022	Jun-25
Ana Pickering	Parent Rep	Elected June 2022	Jun-25
Moses Faleolo	Parent Rep	Elected June 2022	Jun-25
Karl Goddard	Staff Rep	Re-elected June 2022	Jun-25
Melissa Dines	Parent Rep	Elected June 2022	Jun-25

#### Accountant / Service Provider:

M & M Accounting and Business Consultants Limited

# MASSEY HIGH SCHOOL

Annual Report - For the year ended 31 December 2022

## Index

Page	Statement
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### Financial Statements

<a href="#">1</a>	Statement of Responsibility
<a href="#">2</a>	Statement of Comprehensive Revenue and Expense
<a href="#">3</a>	Statement of Changes in Net Assets/Equity
<a href="#">4</a>	Statement of Financial Position
<a href="#">5</a>	Statement of Cash Flows
<a href="#">6 - 20</a>	Notes to the Financial Statements

### Other Information

Analysis of Variance

Kiwisport

# Massey High 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.

*Wade Robin Hansen*

Full Name of Presiding Member

Signature of Presiding Member

Date:

*27 / 2 / 2025*

*Alastair Robert Fairley*

Full Name of Principal

Signature of Principal

Date:

*27-2-25*

# Massey High 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	20,529,322	18,805,465	19,865,470
Locally Raised Funds	3	1,945,300	2,560,117	1,570,547
Interest Income		38,894	10,000	7,880
<b>Total Revenue</b>		<b>22,514,912</b>	<b>21,375,582</b>	<b>21,443,897</b>
<b>Expenses</b>				
Locally Raised Funds	3	709,002	1,081,750	522,806
Learning Resources	4	16,364,438	15,898,937	15,820,455
Administration	5	1,121,400	947,575	894,639
Finance		39,443	57,000	42,931
Property	6	3,611,773	3,358,000	3,120,837
Loss on Disposal of Property, Plant and Equipment		-	-	17,023
		<b>21,846,056</b>	<b>21,343,262</b>	<b>20,418,691</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>668,856</b>	<b>32,320</b>	<b>1,025,206</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>668,856</b>	<b>32,320</b>	<b>1,025,206</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.

# Massey High 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>		5,496,371	5,496,371	4,407,858
Total comprehensive revenue and expense for the year		668,856	32,320	1,025,206
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	63,307
<b>Equity at 31 December</b>		6,165,227	5,528,691	5,496,371
Accumulated comprehensive revenue and expense		6,165,227	5,528,691	5,496,371
Reserves		-	-	-
<b>Equity at 31 December</b>		6,165,227	5,528,691	5,496,371

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.

# Massey High 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	3,543,796	2,300,254	2,584,858
Accounts Receivable	8	956,556	916,500	1,263,219
GST Receivable		119,225	-	-
Prepayments		72,581	60,000	59,872
Inventories	9	14,457	15,000	12,675
Investments	10	660,818	600,000	651,251
Funds Receivable for Capital Works Projects	18	63,194	-	161,687
		<u>5,430,627</u>	<u>3,891,754</u>	<u>4,733,562</u>
<b>Current Liabilities</b>				
GST Payable		-	25,000	25,292
Accounts Payable	12	1,868,905	1,754,590	1,821,727
Borrowings	13	240,410	240,410	240,410
Revenue Received in Advance	14	288,074	114,300	292,791
Provision for Cyclical Maintenance	15	161,602	156,000	104,248
Finance Lease Liability	16	250,248	307,000	235,008
Funds held in Trust	17	280,856	250,000	261,146
Funds held for Capital Works Projects	18	444,765	100,000	433,161
		<u>3,534,860</u>	<u>2,947,300</u>	<u>3,413,783</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>1,895,767</b>	<b>944,454</b>	<b>1,319,779</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	4,878,160	5,341,237	4,830,237
		<u>4,878,160</u>	<u>5,341,237</u>	<u>4,830,237</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	397,672	463,000	472,807
Finance Lease Liability	16	211,028	294,000	180,838
		<u>608,700</u>	<u>757,000</u>	<u>653,645</u>
<b>Net Assets</b>		<u><u>6,165,227</u></u>	<u><u>5,528,691</u></u>	<u><u>5,496,371</u></u>
<b>Equity</b>		<u><u>6,165,227</u></u>	<u><u>5,528,691</u></u>	<u><u>5,496,371</u></u>

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

# Massey High 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		9,064,016	8,638,211	8,443,669
Locally Raised Funds		1,806,471	2,355,192	1,580,778
Goods and Services Tax (net)		(144,517)	(292)	112,215
Payments to Employees		(4,446,444)	(4,783,327)	(3,965,238)
Payments to Suppliers		(4,888,424)	(5,189,635)	(3,915,598)
Interest Paid		(39,443)	(57,000)	(42,931)
Interest Received		32,643	7,000	10,572
Net cash from/(to) Operating Activities		1,609,989	1,101,611	2,223,467
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		6,199	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(490,328)	(931,000)	(152,123)
Purchase of Investments		(9,567)	-	(8,905)
Proceeds from Sale of Investments		-	51,251	-
Net cash from/(to) Investing Activities		(493,696)	(879,749)	(161,028)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	63,307
Finance Lease Payments		(287,162)	(323,846)	(343,602)
Funds Administered on Behalf of Third Parties		129,807	(182,620)	492,370
Net cash from/(to) Financing Activities		(157,355)	(506,466)	212,075
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>958,938</b>	<b>(284,604)</b>	<b>2,274,514</b>
Cash and cash equivalents at the beginning of the year	7	2,584,858	2,584,858	310,344
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>3,543,796</b>	<b>2,300,254</b>	<b>2,584,858</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.

# Massey High School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### **a) Reporting Entity**

Massey High 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 15.

#### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

### **Critical Judgements in applying accounting policies**

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

#### *Classification of leases*

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 22b.

#### *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.

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

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

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

***Other Grants where conditions exist***

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

***Donations, Gifts and Bequests***

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

***Interest Revenue***

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

**d) 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) 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 (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	10–50 years
Furniture and equipment	5–20 years
Information and communication technology	3–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

### **k) Accounts Payable**

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

### **l) Employee Entitlements**

#### *Short-term employee entitlements*

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned, by non teaching staff, to but not yet taken at balance date.

#### *Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in surplus or deficit in the period in which they arise.

### **m) Revenue Received in Advance**

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

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.

### **n) Funds held for Capital works**

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

### **o) Provision for Cyclical Maintenance**

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The schools carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

**p) 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.

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 the 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 surplus or deficit.

**q) 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.

**r) 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.

**s) 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

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Government Grants - Ministry of Education	8,959,510	8,409,732	8,307,491
Teachers' Salaries Grants	8,877,425	7,834,763	9,066,214
Use of Land and Buildings Grants	2,352,772	2,200,000	2,227,630
Other Government Grants	339,615	360,970	264,135
	<u>20,529,322</u>	<u>18,805,465</u>	<u>19,865,470</u>

The school has opted in to the donations scheme for this year. Total amount received was \$223,650.

## 3. Locally Raised Funds

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

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
<b>Revenue</b>			
Donations & Bequests	401,360	942,000	145,778
Fees for Extra Curricular Activities	256,394	499,000	139,854
Trading	131,347	250,700	73,999
Other Revenue	1,032,606	748,200	1,074,472
International Student Fees	123,593	120,217	136,444
	<u>1,945,300</u>	<u>2,560,117</u>	<u>1,570,547</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	582,738	947,700	302,103
Trading	-	-	104,745
Fundraising and Community Grant Costs	-	-	-
Other Locally Raised Funds Expenditure	23,045	36,000	21,966
International Student - Employee Benefit - Salaries	78,776	78,000	77,407
International Student - Other Expenses	24,443	20,050	16,585
	<u>709,002</u>	<u>1,081,750</u>	<u>522,806</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>1,236,298</u>	<u>1,478,367</u>	<u>1,047,741</u>

## 4. Learning Resources

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Curricular	2,637,650	2,496,844	2,250,824
Equipment Repairs	2,392	14,000	15,191
Library Resources	5,232	4,003	3,581
Employee Benefits - Salaries	12,887,526	12,356,340	12,670,949
Staff Development	61,447	98,750	85,769
Depreciation	770,191	929,000	794,141
	<u>16,364,438</u>	<u>15,898,937</u>	<u>15,820,455</u>

## 5. Administration

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Audit Fee	16,265	16,265	16,990
Board Fees	3,570	4,200	2,375
Board Expenses	27,778	12,300	1,804
Communication	20,057	35,000	20,108
Consumables	83,104	100,910	93,561
Operating Lease	39,825	25,000	9,288
Legal Fees	33,056	15,000	28,418
Other	99,709	122,400	87,442
Employee Benefits - Salaries	718,257	536,000	559,656
Insurance	46,158	45,500	44,676
Service Providers, Contractors and Consultancy	33,621	35,000	30,321
	<u>1,121,400</u>	<u>947,575</u>	<u>894,639</u>

## 6. Property

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Caretaking and Cleaning Consumables	833,512	740,000	401,216
Cyclical Maintenance Provision	(17,781)	90,000	(132,985)
Grounds	(1,884)	-	22,842
Heat, Light and Water	267,835	205,000	154,229
Rates	960	-	-
Repairs and Maintenance	175,321	123,000	348,917
Use of Land and Buildings	2,352,772	2,200,000	2,227,630
Security	1,038	-	21,976
Employee Benefits - Salaries	-	-	77,012
	<u>3,611,773</u>	<u>3,358,000</u>	<u>3,120,837</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

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Bank Accounts	1,531,727	2,299,754	2,584,123
Short-term Bank Deposits	2,011,747	-	-
Cash On Hand	322	500	735
Cash and cash equivalents for Statement of Cash Flows	<u>3,543,796</u>	<u>2,300,254</u>	<u>2,584,858</u>

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

## 8. Accounts Receivable

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Receivables	64,953	51,500	93,528
Receivables from the Ministry of Education	102,622	-	303,998
Interest Receivable	6,251	3,000	-
Teacher Salaries Grant Receivable	782,730	862,000	865,693
	<u>956,556</u>	<u>916,500</u>	<u>1,263,219</u>
Receivables from Exchange Transactions	71,204	54,500	93,528
Receivables from Non-Exchange Transactions	885,352	862,000	1,169,691
	<u>956,556</u>	<u>916,500</u>	<u>1,263,219</u>

## 9. Inventories

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Stationery	14,457	15,000	12,675
	<u>14,457</u>	<u>15,000</u>	<u>12,675</u>

## 10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Current Asset Short-term Bank Deposits	660,818	600,000	651,251
Total Investments	<u>660,818</u>	<u>600,000</u>	<u>651,251</u>

## 11. Property, Plant and Equipment

2022	Opening \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Buildings	3,433,098	3,075	-	-	(107,255)	<b>3,328,918</b>
Furniture and Equipment	755,441	114,073	-	-	(207,025)	<b>662,489</b>
Information and Communication Technology	199,426	166,933	-	2,707	(127,766)	<b>235,886</b>
Motor Vehicles	34,935	197,166	-	-	(48,608)	<b>183,493</b>
Leased Assets	388,928	332,592	-	-	(275,383)	<b>446,137</b>
Library Resources	17,107	9,078	-	2,095	(3,011)	<b>21,079</b>
<b>Balance at 31 December 2022</b>	<u>4,830,237</u>	<u>822,917</u>	<u>(4,802)</u>	<u>-</u>	<u>(770,191)</u>	<u><b>4,878,161</b></u>

The net carrying value of finance lease is **\$733,153 (2021: \$746,189)**

	2022 Cost or \$	2022 Accumulated \$	2022 Net Book \$	2021 Cost or \$	2021 Accumulated \$	2021 Net Book \$
Buildings	5,025,604	(1,696,686)	<b>3,328,918</b>	5,022,533	(1,589,435)	<b>3,433,098</b>
Furniture and Equipment	4,265,478	(3,602,989)	<b>662,489</b>	4,151,405	(3,395,964)	<b>755,441</b>
Information and Communication Technology	3,694,649	(3,458,763)	<b>235,886</b>	3,530,761	(3,331,335)	<b>199,426</b>
Motor Vehicles	496,815	(313,322)	<b>183,493</b>	348,830	(313,895)	<b>34,935</b>
Leased Assets	893,332	(447,195)	<b>446,137</b>	1,294,063	(905,135)	<b>388,928</b>
Library Resources	75,767	(54,688)	<b>21,079</b>	84,757	(67,650)	<b>17,107</b>
<b>Balance at 31 December</b>	<u>14,457,509</u>	<u>(9,579,349)</u>	<u><b>4,878,160</b></u>	<u>14,439,969</u>	<u>(9,609,732)</u>	<u><b>4,830,237</b></u>

### Capital commitments

The amount of contractual commitments for the acquisition of intangible assets is \$nil (2021: \$nil)

## 12. Accounts Payable

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Creditors	435,926	225,000	264,204
Accruals	74,219	100,000	103,001
Banking Staffing Overuse	294,562	300,000	373,489
Employee Entitlements - Salaries	1,028,568	1,084,590	1,036,493
Employee Entitlements - Leave Accrual	35,630	45,000	44,540
	<u>1,868,905</u>	<u>1,754,590</u>	<u>1,821,727</u>
Payables for Exchange Transactions	1,868,905	1,754,590	1,821,727
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)			
Payables for Non-exchange Transactions - Other			
	<u>1,868,905</u>	<u>1,754,590</u>	<u>1,821,727</u>

The carrying value of payables approximates their fair value.

## 13. Borrowings

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Loans due in one year	240,410	240,410	240,410
Loans due after one year	-	-	-
	<u>240,410</u>	<u>240,410</u>	<u>240,410</u>

The school has borrowings at 31 December 2021 of \$240,410 (31 December 2020 \$240,410). This loan is from the Ministry of Education for financial assistance. The loan is unsecured and interest free.

## 14. Revenue Received in Advance

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Grants in Advance - Ministry of Education	-	-	63,000
International Student Fees in Advance	158,849	68,000	56,755
Other revenue in Advance	129,225	46,300	173,036
	<u>288,074</u>	<u>114,300</u>	<u>292,791</u>

## 15. Provision for Cyclical Maintenance

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Provision at the Start of the Year	577,055	577,055	710,040
Increase to the Provision During the Year	(17,781)	41,945	(132,985)
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>559,274</u>	<u>619,000</u>	<u>577,055</u>
Cyclical Maintenance - Current	161,602	156,000	104,248
Cyclical Maintenance - Non current	397,672	463,000	472,807
	<u>559,274</u>	<u>619,000</u>	<u>577,055</u>

## 16. Finance Lease Liability

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

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
No Later than One Year	281,193	323,666	260,714
Later than One Year and no Later than Five Years	225,634	327,568	192,013
Future Finance Charges	45,551	50,234	36,881
	<u>461,276</u>	<u>601,000</u>	<u>415,846</u>
<b>Represented by</b>			
Finance lease liability - Current	250,248	307,000	235,008
Finance lease liability - Non current	211,028	294,000	180,838
	<u>461,276</u>	<u>601,000</u>	<u>415,846</u>

## 17. Funds held in Trust

	<b>2022 Actual \$</b>	<b>2022 Budget \$</b>	<b>2021 Actual \$</b>
Funds Held in Trust on Behalf of Third Parties - Current	280,856	250,000	261,146
	<u>280,856</u>	<u>250,000</u>	<u>261,146</u>

## 18. 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.

<b>2022</b>	<b>Opening Balances \$</b>	<b>Receipts from MoE \$</b>	<b>Payments \$</b>	<b>Board Contributions / W/Off \$</b>	<b>Closing Balances \$</b>
D Block Rationalisation - Project 2	-	321,329	(121,428)	-	199,901
Remedial works for blocks A, AX, B, C, DR, E, G,	(15,954)	14,760	-	1,194	-
Refurbish Old Art Block	(27,533)	49,221	(9,483)	-	12,205
Roof Replacement - A,E,G,T & H Blocks	29,523	-	-	-	29,523
Front Boundary Project	(1,120)	-	-	1,120	-
Nelson Block D	(2,880)	-	-	2,880	-
D Block Rationalisation - Project 1	207,322	113,613	(320,935)	-	-
Site Access Project D	3,864	-	-	(3,864)	-
Art/Drama	(98,297)	-	(4,874)	103,171	-
Re-siting Music Project	26,025	370,126	(459,345)	-	(63,194)
Heat Pump Project	(1,509)	14,706	(13,197)	-	-
Gym Sewerage Pump Project	(24,891)	-	-	24,891	-
	-	-	-	-	-
Tennis Court and Canopy Project	195,950	116,000	(108,814)	-	203,136
L&P Internal Works Project	(19,026)	-	-	19,026	-
Totals	<u>271,474</u>	<u>999,755</u>	<u>(1,038,076)</u>	<u>148,418</u>	<u>381,571</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	444,765
Funds Receivable from the Ministry of Education	(63,194)

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Arohanui Project	(4,581)	75,587	(71,006)	-	-
Remedial works for blocks A, AX, B, C, DR, E, G, GI and H	(15,954)	-	-	-	(15,954)
Refurbish Old Art Block	41,285	-	(68,818)	-	(27,533)
Roof Replacement - A,E,G,T & H Blocks	29,523	-	-	-	29,523
Front Boundary Project	(1,120)	-	-	-	(1,120)
Nelson Block D	(2,880)	-	-	-	(2,880)
D Block Rationalisation	(12,093)	250,000	(30,585)	-	207,322
Site Access Project D	3,864	-	-	-	3,864
Art/Drama	-	-	-	(98,297)	(98,297)
Re-siting Music Project	(41,847)	82,536	(14,664)	-	26,025
Heat Pump Project	(201,394)	205,165	(5,280)	-	(1,509)
Gym Sewerage Pump Project	(24,891)	-	-	-	(24,891)
Block 10 Hall Ceiling	-	-	-	-	-
Tennis Court and Canopy Project	-	200,000	(4,050)	-	195,950
L&P Internal Works Project	-	116,959	(135,985)	-	(19,026)
<b>Totals</b>	<b>(230,088)</b>	<b>930,247</b>	<b>(330,388)</b>	<b>(98,297)</b>	<b>271,474</b>

**Represented by:**

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

433,161  
(161,687)

**19. 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.

## 20. 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	<b>3,570 0.27</b>	<b>2,375 0.31</b>
<i>Leadership Team</i> Remuneration Full-time equivalent members	1,507,813 9	1,665,870 12
Total key management personnel remuneration	<u>1,511,383</u>	<u>1,668,245</u>

There are 7 members of the board excluding the Principal. The Board held 8 full meetings in 2022. Finance members are also 7. Property meetings are included in the full board meetings.. 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 1

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	50 - 60	200 - 210
Benefits and Other Emoluments	1 - 2	5 - 10
Termination Benefits	-	-

### Principal 2

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	150 - 160	-
Benefits and Other Emoluments	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>
100 - 110	22	17
110-120	8	13
120-130	0	1
130-140	2	2
150-160	4	3

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

## 21. Compensation and Other Benefits Upon Leaving

There is no 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.

## 22. 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.

## 23. Commitments

### (a) Capital Commitments

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

(a) \$2,300,000 project value for the L Block Conversion to be completed in May 2023, which will be fully funded by the Ministry of Education. \$452,662 has been received and \$515,855 has been spent on the project to date.

(b) \$460,000 project value for the Rationalisation Stage 2 to be completed in March 2023, which will be fully funded by the Ministry of Education. \$321,329 has been received and \$121,428 has been spent on the project to date.

(c) \$319,000 project value for the Tennis canopy to be completed in April 2023, which will be fully funded by the Ministry of Education. \$316,000 has been received and \$112,864 has been spent on the project to date.

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

### (b) Operating Commitments

There are no operating commitments as at 31 December 2022. (Operating Commitments at 31st December 21: nil)

## 24. 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 \$	2021 Actual \$
Cash and Cash Equivalents	3,543,796	2,300,254	2,584,858
Receivables	956,556	916,500	1,263,219
Investments - Term Deposits	660,818	600,000	651,251
Total Financial assets measured at amortised cost	<u>5,161,170</u>	<u>3,816,754</u>	<u>4,499,328</u>

### Financial liabilities measured at amortised cost

Payables	1,868,905	1,754,590	1,821,727
Borrowings - Loans	240,410	240,410	240,410
Finance Leases	461,276	601,000	415,846
Total Financial Liabilities Measured at Amortised Cost	<u>2,570,591</u>	<u>2,596,000</u>	<u>2,477,983</u>

## **25. Events After Balance Date**

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

## **26. Comparatives**

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

## **27. Breach of Legislation – failure to comply with section 137 of the Education and Training act 2020**

The Board of Trustees have failed to comply with section 137 of the Education and Training act by not providing audited financial statements to the Ministry of Education by 31 May 2023.