

WESTERN HEIGHTS HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:

151

Principal:

James Bracefield

School Address:

70 Old Quarry Road, Rotorua

School Postal Address:

70 Old Quarry Road, Rotorua

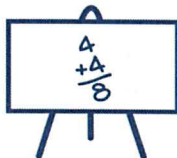
School Phone:

07 349 5940

School Email:

info@whhs.school.nz

Accountant / Service Provider:



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WESTERN HEIGHTS HIGH SCHOOL

Annual Report - For the year ended 31 December 2022

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Western Heights 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.

Daphne Williams
Full Name of Presiding Member

James Bracefield
Full Name of Principal

[Signature]
Signature of Presiding Member

[Signature]
Signature of Principal

20/08/2024
Date:

21/08/24.
Date:

Western Heights High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	14,307,130	12,389,600	14,038,341
Locally Raised Funds	3	633,998	701,000	628,438
Interest Income		68,680	50,000	29,617
Total Revenue		15,009,808	13,140,600	14,696,396
Expenses				
Locally Raised Funds	3	567,409	377,000	544,282
Learning Resources	4	10,120,935	10,194,300	10,111,006
Administration	5	2,361,339	918,500	2,093,692
Finance		12,475	-	18,515
Property	6	1,941,507	1,971,500	2,067,729
Loss on Disposal of Property, Plant and Equipment		-	-	1,238
		15,003,665	13,461,300	14,836,462
Net Surplus / (Deficit) for the year		6,143	(320,700)	(140,066)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		6,143	(320,700)	(140,066)

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

Western Heights High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		4,423,831	4,450,901	4,563,897
Total comprehensive revenue and expense for the year		6,143	(320,700)	(140,066)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		54,103	-	-
Equity at 31 December		4,484,077	4,130,201	4,423,831
Accumulated comprehensive revenue and expense		4,484,077	4,130,201	4,423,831
Reserves		-	-	-
Equity at 31 December		4,484,077	4,130,201	4,423,831

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.

Western Heights High School Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	1,240,367	626,090	2,209,653
Accounts Receivable	8	839,426	700,000	856,736
GST Receivable		35,349	30,000	38,248
Prepayments		101,543	30,000	34,685
Investments	9	2,969,285	2,900,000	1,749,314
Funds Receivable for Capital Works Projects	16	14,997	-	30,013
		<u>5,200,967</u>	<u>4,286,090</u>	<u>4,918,649</u>
Current Liabilities				
Accounts Payable	11	835,753	800,000	825,669
Revenue Received in Advance	12	339,081	100,000	76,422
Provision for Cyclical Maintenance	13	386,984	-	116,771
Finance Lease Liability	14	223,440	120,000	199,796
Funds held in Trust	15	177,423	80,000	94,345
Funds held for Capital Works Projects	16	161,096	-	292,042
		<u>2,123,777</u>	<u>1,100,000</u>	<u>1,605,045</u>
Working Capital Surplus/(Deficit)		3,077,190	3,186,090	3,313,604
Non-current Assets				
Property, Plant and Equipment	10	1,889,048	1,834,000	2,108,842
		<u>1,889,048</u>	<u>1,834,000</u>	<u>2,108,842</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	477,272	883,889	862,430
Finance Lease Liability	14	4,889	6,000	136,185
		<u>482,161</u>	<u>889,889</u>	<u>998,615</u>
Net Assets		<u><u>4,484,077</u></u>	<u><u>4,130,201</u></u>	<u><u>4,423,831</u></u>
Equity		<u><u>4,484,077</u></u>	<u><u>4,130,201</u></u>	<u><u>4,423,831</u></u>

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

Western Heights High School

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		3,922,856	3,481,600	3,641,955
Locally Raised Funds		472,577	569,000	508,471
International Students		242,306	132,000	-
Goods and Services Tax (net)		2,899	-	(43,383)
Payments to Employees		(2,344,172)	(2,037,000)	(2,153,903)
Payments to Suppliers		(1,789,199)	(2,226,510)	(1,784,646)
Interest Paid		(12,475)	-	(18,515)
Interest Received		51,863	50,000	29,617
Net cash from/(to) Operating Activities		546,655	(30,910)	179,596
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(188,152)	(180,000)	(134,797)
Purchase of Investments		(1,219,971)	-	-
Proceeds from Sale of Investments		-	-	1,148,213
Net cash from/(to) Investing Activities		(1,408,123)	(180,000)	1,013,416
Cash flows from Financing Activities				
Furniture and Equipment Grant		54,103	-	-
Finance Lease Payments		(129,069)	(98,000)	(256,462)
Funds Administered on Behalf of Third Parties		(32,852)	(260,000)	1,532
Net cash from/(to) Financing Activities		(107,818)	(358,000)	(254,930)
Net increase/(decrease) in cash and cash equivalents		(969,286)	(568,910)	938,082
Cash and cash equivalents at the beginning of the year	7	2,209,653	1,195,000	1,271,571
Cash and cash equivalents at the end of the year	7	1,240,367	626,090	2,209,653

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.

Western Heights High School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Western Heights 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 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 21b .

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

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

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

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

Non cash generating assets

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

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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

The reversal of an impairment loss is recognised in the surplus or deficit. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

k) Accounts Payable

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

l) Employee Entitlements

Short-term employee entitlements

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

m) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and 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) 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 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.

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.

The School's financial liabilities comprise accounts payable and finance lease 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) 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.

r) 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	5,200,456	3,406,600	5,064,541
Teachers' Salaries Grants	7,575,447	7,700,000	7,597,673
Use of Land and Buildings Grants	1,253,284	1,200,000	1,177,877
Other Government Grants	277,943	83,000	198,250
	<u>14,307,130</u>	<u>12,389,600</u>	<u>14,038,341</u>

The school has opted in to the donations scheme for this year. Total amount received was \$171,600.

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	26,448	-	10,880
Fees for Extra Curricular Activities	230,151	318,000	420,989
Trading	183,274	-	29,579
Fundraising & Community Grants	71,120	73,000	74,620
Other Revenue	28,294	178,000	319
International Student Fees	94,711	132,000	92,051
	<u>633,998</u>	<u>701,000</u>	<u>628,438</u>
Expenses			
Extra Curricular Activities Costs	268,295	265,000	439,439
Trading	204,573	-	15,882
Other Locally Raised Funds Expenditure	202	-	-
International Student - Student Recruitment	6,309	20,000	1,165
International Student - Employee Benefit - Salaries	53,832	75,000	60,508
International Student - Other Expenses	34,198	17,000	27,288
	<u>567,409</u>	<u>377,000</u>	<u>544,282</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>66,589</u>	<u>324,000</u>	<u>84,156</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	420,392	595,300	390,121
Employee Benefits - Salaries	9,239,215	9,167,000	9,197,417
Staff Development	31,965	32,000	26,784
Depreciation	429,363	400,000	496,684
	<u>10,120,935</u>	<u>10,194,300</u>	<u>10,111,006</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	10,000	12,000	10,000
Board Fees	8,910	12,000	9,960
Board Expenses	33,615	19,000	72,480
Lunches	1,385,625	-	1,468,829
Communication	29,805	19,000	27,654
Consumables	19,647	18,000	16,819
Operating Lease	58,643	-	-
Legal Fees	31,056	10,000	-
Other	226,136	395,500	48,835
Employee Benefits - Salaries	520,000	395,000	407,854
Insurance	37,902	38,000	31,261
	<u>2,361,339</u>	<u>918,500</u>	<u>2,093,692</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	21,903	25,000	17,644
Consultancy and Contract Services	230,928	198,000	194,836
Cyclical Maintenance Provision	(114,945)	90,000	36,182
Grounds	44,521	42,000	35,489
Heat, Light and Water	154,238	145,000	145,827
Repairs and Maintenance	103,306	76,500	280,512
Use of Land and Buildings	1,253,284	1,200,000	1,177,877
Security	75,700	35,000	29,506
Employee Benefits - Salaries	172,572	160,000	149,856
	<u>1,941,507</u>	<u>1,971,500</u>	<u>2,067,729</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	1,240,367	626,090	1,032,966
Short-term Bank Deposits	-	-	1,176,687
Cash and cash equivalents for Statement of Cash Flows	<u>1,240,367</u>	<u>626,090</u>	<u>2,209,653</u>

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

Of the \$1,240,367 Cash and Cash Equivalents, \$161,096 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

Of the \$1,240,367 Cash and Cash Equivalents, \$174,792 of International Student Fees is held by the School. This funding is subject to certain requirements which if not met, the funds will need to be returned.

8. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Receivables	181,699	100,000	204,880
Interest Receivable	16,817	-	-
Teacher Salaries Grant Receivable	640,910	600,000	651,856
	<u>839,426</u>	<u>700,000</u>	<u>856,736</u>
Receivables from Exchange Transactions	198,516	100,000	204,880
Receivables from Non-Exchange Transactions	640,910	600,000	651,856
	<u>839,426</u>	<u>700,000</u>	<u>856,736</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	2,969,285	2,900,000	1,749,314
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	<u>2,969,285</u>	<u>2,900,000</u>	<u>1,749,314</u>

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	1,152,385	-	-	-	(117,602)	1,034,783
Furniture and Equipment	218,531	66,525	-	-	(67,080)	217,976
Information and Communication Technology	134,749	49,096	-	-	(56,869)	126,976
Motor Vehicles	62,690	50,662	-	-	(21,056)	92,296
Textbooks	225,128	21,869	-	-	(28,368)	218,629
Leased Assets	291,619	21,417	-	-	(114,648)	198,388
Library Resources	23,740	-	-	-	(23,740)	-
	-	-	-	-	-	-
Balance at 31 December 2022	<u>2,108,842</u>	<u>209,569</u>	<u>-</u>	<u>-</u>	<u>(429,363)</u>	<u>1,889,048</u>

The net carrying value of furniture and equipment held under a finance lease is \$198,388 (2021: \$148,504)

	2022	2022	2022	2021	2021	2021
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Building Improvements	2,842,215	(1,807,432)	1,034,783	2,842,215	(1,689,830)	1,152,385
Furniture and Equipment	1,400,987	(1,183,011)	217,976	1,335,656	(1,117,125)	218,531
Information and Communication T	463,966	(336,990)	126,976	421,921	(287,172)	134,749
Motor Vehicles	410,602	(318,306)	92,296	359,940	(297,250)	62,690
Textbooks	867,062	(648,433)	218,629	845,193	(620,065)	225,128
Leased Assets	787,401	(589,013)	198,388	897,060	(605,441)	291,619
Library Resources	306,621	(306,621)	-	306,621	(282,881)	23,740
Balance at 31 December	7,078,854	(5,189,806)	1,889,048	7,008,606	(4,899,764)	2,108,842

11. Accounts Payable

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Creditors	82,049	150,000	68,927
Accruals	34,431	50,000	28,464
Banking Staffing Overuse	42,328	-	64,059
Employee Entitlements - Salaries	640,910	600,000	651,856
Employee Entitlements - Leave Accrual	36,035	-	12,363
	835,753	800,000	825,669
Payables for Exchange Transactions	835,753	800,000	825,669
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	835,753	800,000	825,669

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
International Student Fees in Advance	174,792	-	27,197
Other revenue in Advance	164,289	100,000	49,225
	339,081	100,000	76,422

13. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	979,201	979,201	943,019
Increase to the Provision During the Year	112,855	90,000	36,182
Use of the Provision During the Year	-	-	-
Other Adjustments	(227,800)	(185,312)	-
Provision at the End of the Year	<u>864,256</u>	<u>883,889</u>	<u>979,201</u>
Cyclical Maintenance - Current	386,984	-	116,771
Cyclical Maintenance - Non current	477,272	883,889	862,430
	<u>864,256</u>	<u>883,889</u>	<u>979,201</u>

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.

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	223,440	120,000	199,796
Later than One Year and no Later than Five Years	4,889	6,000	136,185
Later than Five Years	-	-	-
Future Finance Charges	-	-	-
	<u>228,329</u>	<u>126,000</u>	<u>335,981</u>
Represented by			
Finance lease liability - Current	223,440	120,000	199,796
Finance lease liability - Non current	4,889	6,000	136,185
	<u>228,329</u>	<u>126,000</u>	<u>335,981</u>

15. Funds held in Trust

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	177,423	80,000	94,345
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>177,423</u>	<u>80,000</u>	<u>94,345</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expense of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 9

2022	Project Number	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
E Block	203584	43,566	-	(43,566)	-	-
Library	202799	7,811	-	(7,811)	-	-
Science Block		(3,459)	-	-	3,459	-
Roof	210499	21,310	6,040	(27,350)	22,844	-
Special Needs Sighting	217663	1,050	-	(947)	-	103
Outdoor Seating	223194	182,476	160,000	(342,179)	-	297
School House/Clear Roofing	229434	18,938	1,526	(20,464)	-	-
Gym Ceiling		(10,056)	-	-	10,056	-
Lighting and Electrical		(6,638)	-	-	6,638	-
Block A and M Flooring	210502	16,891	15,412	(32,303)	-	-
Library Heatpumps	210501	-	40,727	(45,864)	-	(5,137)
Fire Alarms	236066	-	30,000	(14,272)	-	15,728
Security Cameras	234799	(9,860)	-	-	-	(9,860)
Prefabricated Bathroom	235868	-	161,425	(16,457)	-	144,968
						-
Totals		262,029	415,130	(551,213)	42,997	146,099

Represented by:

Funds Held on Behalf of the Ministry of Education	161,096
Funds Receivable from the Ministry of Education	(14,997)

2021	Project Number	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Tech Block		75,068	2,019	(77,087)	-	-
E Block	203584	43,566	-	-	-	43,566
Library	202799	(2,289)	-	10,100	-	7,811
Science Block		(74,546)	-	71,087	-	(3,459)
Roof	210499	297,262	-	(275,952)	-	21,310
Admin Block		(861)	-	-	861	-
Special Needs Sighting	217663	46,243	-	(45,193)	-	1,050
Outdoor Seating	223194	30,256	160,000	(7,780)	-	182,476
LSC Alterations		(7,030)	-	-	7,030	-
Building Assesment		(10,850)	-	-	10,850	-
School House/Clear Roofing	229434	22,551	-	(3,613)	-	18,938
Special Needs		(1,147)	-	(1,642)	2,789	-
Security Cameras	234799	-	16,916	(26,776)	-	(9,860)
Gym Ceiling		(10,056)	-	-	-	(10,056)
Lighting and Electrical		-	-	(6,638)	-	(6,638)
Block A and M Flooring	210502	-	122,143	(105,252)	-	16,891
K Block		(147,670)	-	-	147,670	-
Totals		260,497	301,078	(468,746)	169,200	262,029

Represented by:

Funds Held on Behalf of the Ministry of Education	292,042
Funds Receivable from the Ministry of Education	(30,013)

17. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

18. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i> Remuneration	8,910	9,960
<i>Leadership Team</i> Remuneration Full-time equivalent members	710,669 5	686,367 5
Total key management personnel remuneration	<u>719,579</u>	<u>696,327</u>

There are 8 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. 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, finance and property matters.

Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	190-200	180-190
Benefits and Other Emoluments	5-6	5-6
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	14	11
110 - 120	4	5
120 - 130	5	4
	<u>23</u>	<u>20</u>

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

19. 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	-	-

20. 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.

During the year the School was involved in an employment claim. Legal advice was obtained in regards to this claim which remains open at the time the financial statements were prepared. Therefore any settlement that would be incurred by the school is unable to be quantified. The school has incurred \$31,056 in legal fees for the year ended 31 December 2022.

21. Commitments

(a) Capital Commitments

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

(a) \$242,000 contract for Alarm Upgrades to be completed in 2023, which will be fully funded by the Ministry of Education. \$30,000 has been received of which \$17,022 has been spent on the project to date; and

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

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into any operating commitments (2021:Nil)

22. 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	1,240,367	626,090	2,209,650
Receivables	839,426	700,000	856,730
Investments - Term Deposits	2,969,285	2,900,000	1,749,310
Total Financial assets measured at amortised cost	<u>5,049,078</u>	<u>4,226,090</u>	<u>4,815,700</u>

Financial liabilities measured at amortised cost

Payables	835,753	800,000	825,660
Finance Leases	228,329	126,000	335,980
Total Financial Liabilities Measured at Amortised Cost	<u>1,064,082</u>	<u>926,000</u>	<u>1,161,650</u>

23. Events After Balance Date

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

24. Comparatives

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

25. Breach of Law - Statutory Deadline

The Board of Trustees has failed to comply with section 135 of the Education and Training Act 2020, as the Board were unable to provide their audited financial statements to the Ministry of Education by 31 May 2023. This primarily impacted by the Approved Auditor's resource constraints and subsequent auditor shortages.