

# KAITAIA PRIMARY SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

**Ministry Number:** 1026

**Principal:** Brendon Morrissey

**School Address:** 5 Church Road, Kaitaia

**School Postal Address:** 5 Church Road, Kaitaia

**School Phone:** 09 408 0228

**School Email:** [accounts@kaitaiaprimarieschool.nz](mailto:accounts@kaitaiaprimarieschool.nz)

#### Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Brendon Morrissey	Principal		
Martha Popata	Staff Rep	Elected	Sep-22
Michael Herring	Member	Elected	Sep-22
Nadia Thomas	Member	Elected	Mar-21
Derek Ashley	Presiding Member	Elected	Sep-22
Ngauru Heka	Member	Elected	Sep-22
Shantel Naera	Member	Co Opted	Sep-22
Zoe Brown	Minutes Secretary		Sep-22
Sharon Patrick	Minutes Secretary		Dec-21

**Accountant / Service Provider:** Ask Accounting Ltd

# KAITAIA PRIMARY SCHOOL

Annual Report - For the year ended 31 December 2021

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# Kaitaia Primary School

## Statement of Responsibility

For the year ended 31 December 2021

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 2021 fairly reflects the financial position and operations of the school.

The School's 2021 financial statements are authorised for issue by the Board.

Derek Jeffrey Ashley  
Full Name of Presiding Member

  
Signature of Presiding Member

30<sup>th</sup> May 2022  
Date:

Brendon Lee Morrissey  
Full Name of Principal

  
Signature of Principal

30/05/2022  
Date:

# Kaitaia Primary School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Revenue</b>				
Government Grants	2	4,163,502	3,823,956	3,922,187
Locally Raised Funds	3	92,853	95,470	111,520
Interest income		3,181	200	5,868
		<u>4,259,536</u>	<u>3,919,626</u>	<u>4,039,575</u>
<b>Expenses</b>				
Locally Raised Funds	3	35,429	56,500	57,900
Learning Resources	4	3,006,948	2,813,793	2,926,574
Administration	5	442,189	235,788	222,708
Finance		4,419	5,450	5,702
Property	6	659,806	726,091	764,776
Depreciation	11	139,110	136,632	123,490
Loss on Disposal of Property, Plant and Equipment		5,824	-	836
		<u>4,293,725</u>	<u>3,974,254</u>	<u>4,101,986</u>
<b>Net Surplus / (Deficit) for the year</b>		(34,189)	(54,628)	(62,411)
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(34,189)</u>	<u>(54,628)</u>	<u>(62,411)</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.



## Kaitaia Primary School

### Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

Notes	Actual 2021 \$	Budget (Unaudited) 2021 \$	Actual 2020 \$
<b>Balance at 1 January</b>	<u>1,081,703</u>	<u>1,081,703</u>	<u>1,135,281</u>
Total comprehensive revenue and expense for the year	(34,189)	(54,628)	(62,411)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	63,063	-	8,833
<b>Equity at 31 December</b>	<u>1,110,577</u>	<u>1,027,075</u>	<u>1,081,703</u>
Retained Earnings	1,110,577	1,027,075	1,081,703
<b>Equity at 31 December</b>	<u>1,110,577</u>	<u>1,027,075</u>	<u>1,081,703</u>

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.

# Kaitaia Primary School

## Statement of Financial Position

As at 31 December 2021


		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	706,209	314,156	452,418
Accounts Receivable	9	178,353	172,000	173,754
GST Receivable		8,223	13,000	13,450
Prepayments		2,146	2,000	2,050
Inventories	10	4,325	3,000	3,115
		899,256	504,156	647,387
<b>Current Liabilities</b>				
Accounts Payable	12	253,924	240,100	234,046
Revenue Received in Advance	13	-	-	23,912
Provision for Cyclical Maintenance	14	34,598	7,605	53,446
Painting Contract Liability	15	31,299	30,349	30,349
Finance Lease Liability	16	20,060	18,481	27,765
Funds held for Capital Works Projects	17	238,838	-	600
Funds for Resource Teachers of Learning & Behaviour services	18	129,314	120,000	102,972
Funds Held on Behalf of RTLIt Services	19	4,348	-	-
		712,381	416,535	473,090
<b>Working Capital Surplus/(Deficit)</b>		186,875	87,621	174,297
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	1,073,193	1,065,543	1,046,075
		1,073,193	1,065,543	1,046,075
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	122,219	102,147	94,275
Painting Contract Liability	15	4,282	4,722	22,266
Finance Lease Liability	16	22,990	19,220	22,128
		149,491	126,089	138,669
<b>Net Assets</b>		1,110,577	1,027,075	1,081,703
<b>Equity</b>		1,110,577	1,027,075	1,081,703

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

  
Signature of Presiding Member

  
Date:

  
Signature of Principal

  
Date:

# Kaitaia Primary School

## Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		1,494,528	1,386,507	1,393,094
Locally Raised Funds		95,466	98,063	102,620
Goods and Services Tax (net)		5,227	450	(593)
Funds Administered on Behalf of Third Parties		30,690	17,028	28,445
Payments to Employees		(1,074,902)	(1,036,990)	(956,013)
Payments to Suppliers		(402,988)	(351,066)	(408,497)
Cyclical Maintenance Payments in the year		-	(63,171)	-
Interest Paid		(4,419)	(5,450)	(5,702)
Interest Received		2,217	200	5,868
Net cash from/(to) Operating Activities		145,819	45,571	159,222
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(147,142)	(156,097)	(112,464)
Net cash from/(to) Investing Activities		(147,142)	(156,097)	(112,464)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		63,063	-	8,833
Finance Lease Payments		(31,753)	(12,192)	(25,312)
Painting contract payments		(17,034)	(17,544)	(10,999)
Funds Held for Capital Works Projects		240,838	2,000	600
Net cash from/(to) Financing Activities		255,114	(27,736)	(26,878)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>253,791</b>	<b>(138,262)</b>	<b>19,880</b>
Cash and cash equivalents at the beginning of the year	8	452,418	452,418	432,537
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>706,209</b>	<b>314,156</b>	<b>452,418</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.

# Kaitaia Primary School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Kaitaia 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 of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

##### b) Basis of Preparation

###### *Reporting Period*

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

###### *Basis of Preparation*

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

###### *Financial Reporting Standards Applied*

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as 'having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders'.

###### *PBE Accounting Standards Reduced Disclosure Regime*

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

###### *Measurement Base*

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

###### *Presentation Currency*

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

###### *Specific Accounting Policies*

The accounting policies used in the preparation of these financial statements are set out below.

###### *Critical Accounting Estimates And Assumptions*

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

###### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

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

#### ***Recognition of grants***

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

### **c) Revenue Recognition**

#### ***Government Grants***

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

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

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

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

#### ***Other Grants***

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

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

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

#### ***Interest Revenue***

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

### **d) Use of Land and Buildings Expense**

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of 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 expense that is offset by a non-cash grant from the Ministry.

### **e) Finance Lease Payments**

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

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

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

### **g) Accounts Receivable**

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

### **h) Inventories**

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

#### **i) Property, Plant and Equipment**

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

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Gains and losses on disposals (i.e. sold or given away) are determined by comparing the proceeds received with the carrying amounts (i.e. the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

#### **Finance Leases**

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

#### **Depreciation**

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10-40 years
Furniture and equipment	3-20 years
Information and communication technology	5-10 years
Leased assets held under a Finance Lease	3 years
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. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

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

#### **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, annual leave earned, by non teaching staff, to but not yet taken at balance date.

##### *Long-term employee entitlements*

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

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

Revenue received in advance relates to MOE grants 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.

#### **n) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts 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.

#### **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 for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

#### **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 categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

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.

#### **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.

#### **s) Services received in-kind**

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



## 2. Government Grants

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	1,079,575	1,113,327	1,091,609
Teachers' Salaries Grants	2,052,178	1,932,105	2,062,157
Use of Land and Buildings Grants	391,742	488,299	497,255
Resource Teachers Learning and Behaviour Grants	30,988	22,302	11,940
Healthy School Lunch Programme	192,714	-	-
Other MoE Grants	384,693	267,923	230,114
Other Government Grants	31,612	-	29,112
	<u>4,163,502</u>	<u>3,823,956</u>	<u>3,922,187</u>

The school has opted in to the donations scheme for this year. Total amount received was \$57,300.

Other MOE Grants total includes additional COVID-19 funding totalling \$69,218 for the year ended 31 December 2021.

## 3. Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations & Bequests	38,051	26,520	36,399
Fees for Extra Curricular Activities	11,905	21,000	20,204
Trading	1,827	2,500	3,180
Fundraising & Community Grants	19,150	27,350	32,104
Other Revenue	21,920	18,100	19,633
	<u>92,853</u>	<u>95,470</u>	<u>111,520</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	27,550	36,500	39,441
Trading	3,266	6,000	11,005
Fundraising and Community Grant Costs	4,613	14,000	7,454
	<u>35,429</u>	<u>56,500</u>	<u>57,900</u>
<b>Surplus/ (Deficit) for the year Locally raised funds</b>	<u>57,424</u>	<u>38,970</u>	<u>53,620</u>

#### 4. Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	102,809	85,409	89,483
Equipment Repairs	8,684	8,000	7,405
Information and Communication Technology	22,804	22,800	21,624
Library Resources	1,247	1,500	985
Employee Benefits - Salaries	2,807,538	2,666,084	2,794,284
Staff Development	63,866	30,000	12,793
	<u>3,006,948</u>	<u>2,813,793</u>	<u>2,926,574</u>

#### 5. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,433	5,848	5,848
Board of Trustees Fees	3,210	3,500	2,865
Board of Trustees Expenses	5,060	4,000	2,773
Communication	3,505	3,200	3,218
Consumables	10,991	11,800	13,331
Healthy School Lunch Programme	192,714	-	-
Other	11,775	11,800	14,543
Employee Benefits - Salaries	198,532	184,200	169,925
Insurance	4,197	4,940	3,643
Service Providers, Contractors and Consultancy	5,772	6,500	6,562
	<u>442,189</u>	<u>235,788</u>	<u>222,708</u>

#### 6. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	15,649	11,700	17,703
Cyclical Maintenance Provision	9,096	25,202	35,773
Grounds	3,746	3,500	2,946
Heat, Light and Water	40,144	37,000	36,120
Rates	8,619	11,000	11,199
Repairs and Maintenance	50,155	31,590	49,674
Use of Land and Buildings	391,742	488,299	497,255
Security	2,604	2,800	2,693
Employee Benefits - Salaries	138,051	115,000	111,413
	<u>659,806</u>	<u>726,091</u>	<u>764,776</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. Depreciation

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Buildings - School	20,591	19,752	19,752
Furniture and Equipment	50,656	43,215	45,514
Information and Communication Technology	34,325	48,518	26,145
Leased Assets	30,301	24,097	28,802
Library Resources	3,237	1,050	3,277
	<u>139,110</u>	<u>136,632</u>	<u>123,490</u>

## 8. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Bank Accounts	506,209	314,156	452,418
Short-term Bank Deposits	200,000	-	-
	<u>706,209</u>	<u>314,156</u>	<u>452,418</u>

Cash and cash equivalents for Statement of Cash Flows

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

Of the \$706,209 Cash and Cash Equivalents, \$238,838 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$706,209 Cash and Cash Equivalents, \$4,348 is held by the School on behalf of the RTLit cluster. See note 19 for details of how the funding received for the cluster has been spent in the year.

Of the \$706,209 Cash and Cash Equivalents, \$133,816 is held by the school on behalf of the RTLB Service. See note 18 for details of how the funding received for the service has been spent in the year.

## 9. Accounts Receivable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Receivables	6,980	7,000	9,593
Receivables from the Ministry of Education	-	-	6,867
Interest Receivable	964	-	-
Banking Staffing Underuse	661	-	-
Teacher Salaries Grant Receivable	169,748	165,000	157,294
	<u>178,353</u>	<u>172,000</u>	<u>173,754</u>
Receivables from Exchange Transactions	7,944	7,000	9,593
Receivables from Non-Exchange Transactions	170,409	165,000	164,161
	<u>178,353</u>	<u>172,000</u>	<u>173,754</u>

10. Inventories

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	4,325	3,000	3,115
	<u>4,325</u>	<u>3,000</u>	<u>3,115</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	508,826	16,043	-	-	(20,591)	504,278
Furniture and Equipment	374,239	79,805	-	-	(50,656)	403,388
Information and Communication Technology	86,172	47,430	(456)	-	(34,325)	98,821
Leased Assets	53,902	24,910	(4,466)	-	(30,301)	44,045
Library Resources	22,936	3,864	(902)	-	(3,237)	22,661
<b>Balance at 31 December 2021</b>	<b>1,046,075</b>	<b>172,052</b>	<b>(5,824)</b>	<b>-</b>	<b>(139,110)</b>	<b>1,073,193</b>

The net carrying value of equipment held under a finance lease is \$44,045 (2020: \$53,902).

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2021	\$	\$	\$
Buildings	861,300	(357,022)	504,278
Furniture and Equipment	1,272,942	(869,554)	403,388
Information and Communication Technology	302,304	(203,483)	98,821
Leased Assets	100,073	(56,028)	44,045
Library Resources	67,564	(44,903)	22,661
<b>Balance at 31 December 2021</b>	<b>2,604,183</b>	<b>(1,530,990)</b>	<b>1,073,193</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	499,030	29,548	-	-	(19,752)	508,826
Furniture and Equipment	343,696	76,057	-	-	(45,514)	374,239
Information and Communication Technology	65,676	49,092	(2,451)	-	(26,145)	86,172
Leased Assets	71,530	18,373	(7,199)	-	(28,802)	53,902
Library Resources	23,969	4,222	(1,978)	-	(3,277)	22,936
<b>Balance at 31 December 2020</b>	<b>1,003,901</b>	<b>177,292</b>	<b>(11,628)</b>	<b>-</b>	<b>(123,490)</b>	<b>1,046,075</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	845,257	(336,431)	508,826
Furniture and Equipment	1,247,243	(873,004)	374,239
Information and Communication Technology	260,654	(174,482)	86,172
Leased Assets	120,102	(66,200)	53,902
Library Resources	66,307	(43,371)	22,936
<b>Balance at 31 December 2020</b>	<b>2,539,563</b>	<b>(1,493,488)</b>	<b>1,046,075</b>



## 12. Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	5,527	3,000	1,093
Accruals	6,433	6,100	5,848
Employee Entitlements - Salaries	206,383	215,000	211,817
Employee Entitlements - Leave Accrual	35,583	16,000	15,288
	<u>253,926</u>	<u>240,100</u>	<u>234,046</u>
Payables for Exchange Transactions	253,926	240,100	234,046
	<u>253,926</u>	<u>240,100</u>	<u>234,046</u>

The carrying value of payables approximates their fair value.

## 13. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	-	-	23,912
	<u>-</u>	<u>-</u>	<u>23,912</u>

## 14. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	147,721	147,721	111,948
Increase/ (decrease) to the Provision During the Year	9,096	25,202	35,773
Use of the Provision During the Year	-	(63,171)	
Provision at the End of the Year	<u>156,817</u>	<u>109,752</u>	<u>147,721</u>
Cyclical Maintenance - Current	34,598	7,605	53,446
Cyclical Maintenance - Term	122,219	102,147	94,275
	<u>156,817</u>	<u>109,752</u>	<u>147,721</u>

### 15. Painting Contract Liability

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Due within one year	31,299	30,349	30,349
Due after one year	4,282	4,722	22,266
	<u>35,581</u>	<u>35,071</u>	<u>52,615</u>

In 2017 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering a seven year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2017, with regular maintenance in subsequent years. The agreement has an annual commitment of \$31,929. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

### 16. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	23,069	18,481	31,781
Later than One Year and no Later than Five Years	24,582	19,220	23,736
Future Finance Charges	(4,601)	-	(5,624)
	<u>43,050</u>	<u>37,701</u>	<u>49,893</u>
<b>Represented by</b>			
Finance lease liability - Current	20,060	18,481	27,765
Finance lease liability - Term	22,990	19,220	22,128
	<u>43,050</u>	<u>37,701</u>	<u>49,893</u>



### 17. 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:

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Water Tank	<i>completed</i>	600	2,087	(2,687)	-	-
Shade Sail	<i>in progress</i>	(2,600)	245,738	(4,300)	-	238,838
New Classroom	<i>completed</i>	-	8,618	(8,618)	-	-
Totals		(2,000)	256,443	(15,605)	-	238,838

#### Represented by:

Funds Held on Behalf of the Ministry of Education	238,838
Funds Due from the Ministry of Education	-
	<u>238,838</u>

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Water Tank	<i>in progress</i>	-	73,913	73,313	-	600
Walkway	<i>completed</i>	(22,600)			22,600	-
Shade Sail	<i>in progress</i>	-		2,600	-	(2,600)
Totals		(22,600)	73,913	75,913	22,600	(2,000)

# 18. Funds for RTLB Services

Kaitaia Primary School is the lead school funded by the Ministry of Education to provide the services of Resource Teachers of Learning and Behaviour to its cluster of schools.

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Funds held at beginning of the year	102,972	102,972	74,528
<i>Revenue</i>			
Teachers' Salary Grant	2,827,621	1,500,000	2,652,773
Administration Grant	98,841	98,840	93,057
Learning Support Funding	178,008	178,008	176,245
Year 11-13 Funding	-	3,200	-
Travel Grant	168,904	168,904	168,904
Other Revenue	21,619	31,124	50,502
	3,294,993	1,980,076	3,141,481
Total funds available	3,397,965	2,083,048	3,216,009
<i>Expenses</i>			
Employee Benefit - Salaries	2,827,621	1,500,000	2,652,772
Administration	116,656	133,500	119,456
Learning Support	179,336	178,008	173,511
Travel	144,020	165,400	142,148
	3,267,633	1,976,908	3,087,887
Purchase of Assets	1,016	8,000	25,150
Funds Held at Year End	129,314	120,000	102,972
<b>Current Assets</b>			
Cash at bank	129,639	-	37,493
<b>Non Current Assets</b>			
Property Plant and Equipment	42,232	-	41,216
<b>Current Liabilities</b>			
Operating Creditors	388	-	-
<b>Equity</b>	171,483	-	78,709

## 19. Funds for RTLit Services

Kaitaia Primary School is the lead school funded by the Ministry of Education to provide the services of Resource Teachers of Literacy to its cluster of schools.

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held at Beginning of the Year	-	-	-
Funds Received from MoE	15,929	15,929	15,679
Total funds received	15,929	15,929	15,679
Funds Spent on Behalf of the Cluster	11,581	15,929	15,679
<b>Funds remaining</b>	4,348	-	-
Funds Held at Year End	4,348	-	-

## 20. 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.

## 21. Remuneration

### *Key management personnel compensation*

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	3,210	2,865
Full-time equivalent members	0.08	0.07
<i>Leadership Team</i>		
Remuneration	480,240	474,875
Full-time equivalent members	5	4
Total key management personnel remuneration	483,450	477,740
Total full-time equivalent personnel	5.08	4.07

There are 7 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance (2 members) and Property (2 members) that meet as required. As well as these regular meetings, including preparation time, the Chair and other Board members may also been involved in ad hoc meetings.

### *Principal 1*

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	170-180	170-180
Benefits and Other Emoluments	5-10	5-10
Termination Benefits	-	-

### *Other Employees*

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100 - 110	9	3
110-120	1	0
	10	3

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

## 22. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021 (Contingent liabilities and assets at 31 December 2020: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of boards, through payroll service provider Education Payroll Limited.

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2021, a contingent liability for the school may exist.

## 23. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has entered into contract agreements for capital works as follows:

(a) A \$273,042 contract for a new junior shade canopy to be completed in 2022, which will be fully funded by the Ministry of Education. \$245,738 has been received to date and \$4,300 has been spent on the project to date.

(Capital commitments at 31 December 2020:

A contract for a new junior shade canopy to be completed in 2021, which will be fully funded by the Ministry of Education. Nil funds have been received to date and \$2,600 has been spent on the project to date.)

## 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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	706,209	314,156	452,418
Receivables	178,353	172,000	173,754
Total Financial assets measured at amortised cost	884,562	486,156	626,172

### Financial liabilities measured at amortised cost

Payables	253,926	240,100	234,046
Finance Leases	43,050	37,701	49,893
Painting Contract Liability	35,581	35,071	52,615
Total Financial Liabilities Measured at Amortised Cost	332,557	312,872	336,554



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

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

## **26. COVID 19 Pandemic on going implications**

### **Impact of Covid-19**

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

### **Impact on operations**

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

### **Reduction in locally raised funds**

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

### **Increased Remote learning additional costs**

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.