

Te Paina School

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Ministry Number:	1372
Principal:	Adam Tamariki
School Address:	15 Glass Road, Mercer. North Waikato 2474
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Accountant / Service Provider:	Edtech Financial Services Ltd

TE PAINA SCHOOL

Members of the Board

For the year ended 31 December 2022

Name	Position	How position on Board gained	Term Expires/Expired
Carolyn Wratt	Presiding Member	Re-elected Sep-22	2025
Adam Tamariki	Principal	Ex-officio	2025
Lilivaine Tulutama	Parent rep	Elected	2025
Mandy Gillott	Parent Rep	Elected	2025
Marisa Toto	Parent Rep	Co-opted	2025
Anne Farmer	Board Secretary	Office Admin	
Outgoing Board Members			
Paula Faitala	Principal	Ex-officio	2022
Stacey Ploughman	Parent Rep	Elected	Sep-22

TE PAINA SCHOOL

Annual Report - For the year ended 31 December 2022

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Te Paina 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.

Mandy Gillett

Full Name of Presiding Member

[Signature]

Signature of Presiding Member

31/05/2023

Date:

Adam Tau Tamariki

Full Name of Principal

[Signature]

Signature of Principal

31 May 2023

Date:

Te Paina 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	907,735	743,515	739,471
Locally Raised Funds	3	45,918	38,100	28,391
Interest Income		889	2,000	940
Gain on Sale of Property, Plant and Equipment		-		
Total Revenue		954,542	783,615	768,802
Expenses				
Locally Raised Funds	3	9,610	9,000	9,146
Learning Resources	4	638,813	530,200	530,312
Administration	5	164,081	66,582	133,138
Finance		828	500	402
Property	6	185,342	176,600	126,287
Loss on Disposal of Property, Plant and Equipment		8,828	-	44
		1,007,502	782,882	799,329
Net Surplus / (Deficit) for the year		(52,960)	733	(30,527)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(52,960)	733	(30,527)

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



Te Paina 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		342,330	342,330	372,857
Total comprehensive revenue and expense for the year		(52,960)	733	(30,527)
Equity at 31 December		289,370	343,063	342,330

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.

Te Paina 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	11,576	142,805	99,747
Accounts Receivable	8	39,049	31,417	30,596
GST Receivable		3,883	1,500	1,786
Prepayments		3,367	2,700	2,695
Inventories	9	11,697	690	693
Investments	10	25,000	-	90,406
Funds Receivable for Capital Works Projects	16	20,532	-	4,477
		115,104	179,112	230,400
Current Liabilities				
Accounts Payable	12	79,907	54,697	55,907
Revenue Received in Advance	13	759	-	10,628
Provision for Cyclical Maintenance	14	-	9,000	6,710
Finance Lease Liability	15	3,576	1,500	1,392
Funds held for Capital Works Projects	16	186	20,000	83,659
		84,428	85,197	158,296
Working Capital Surplus/(Deficit)		30,676	93,915	72,104
Non-current Assets				
Property, Plant and Equipment	11	304,792	286,248	306,248
		304,792	286,248	306,248
Non-current Liabilities				
Provision for Cyclical Maintenance	14	40,871	36,500	35,514
Finance Lease Liability	15	5,227	600	508
		46,098	37,100	36,022
Net Assets		289,370	343,063	342,330
Equity		289,370	343,063	342,330

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



Te Paina 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		361,808	545,845	215,121
Locally Raised Funds		36,049	38,083	26,733
Goods and Services Tax (net)		(2,097)	(1,500)	(8,822)
Payments to Employees		(153,217)	(102,200)	(132,981)
Payments to Suppliers		(266,649)	(54,375)	(110,270)
Interest Paid		(828)	(500)	(402)
Interest Received		1,073	1,600	653
Net cash from/(to) Operating Activities		(23,861)	426,953	(9,968)
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(8,828)	-	(44)
Purchase of Property Plant & Equipment (and Intangibles)		(27,133)	(306,248)	(3,548)
Purchase of Investments		65,406	-	(28,451)
Net cash from/(to) Investing Activities		29,445	(306,248)	(32,043)
Cash flows from Financing Activities				
Finance Lease Payments		5,774	2,100	(782)
Funds Administered on Behalf of Third Parties		(99,530)	20,000	92,376
Net cash from/(to) Financing Activities		(93,756)	22,100	91,594
Net increase/(decrease) in cash and cash equivalents		(88,171)	142,805	49,583
Cash and cash equivalents at the beginning of the year	7	99,747	-	50,164
Cash and cash equivalents at the end of the year	7	11,576	142,805	99,747

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.

Te Paina School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Te Paina 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 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. 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 15. Future operating lease commitments are disclosed in note 20b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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) 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.

e) 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.

f) 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.

g) 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.

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	10–14 years
Board Owned Buildings	7-10 years
Furniture and equipment	5–15 years
Information and communication technology	2–5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

j) Intangible Assets

Software costs

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

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



k) Impairment of Property, Plant, and Equipment and Intangible Assets

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

Non cash generating assets

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

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available 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. A previously recognised impairment loss is reversed only if there has been a

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

n) Revenue Received in Advance

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

o) Funds Held for Capital Works

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

p) Provision for Cyclical Maintenance

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

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

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



q) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets 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.

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.

t) 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	358,845	198,515	247,757
Teachers' Salaries Grants	429,119	400,000	391,920
Use of Land and Buildings Grants	112,814	140,000	99,794
Other Government Grants	6,957	5,000	-
	<u>907,735</u>	<u>743,515</u>	<u>739,471</u>

The school has opted in to the donations scheme for this year. Total amount received was \$7,950. (2021: \$7,650)

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	40	10,000	2,768
Fees for Extra Curricular Activities	395	18,600	4,423
Trading	5,468	4,500	1,550
Fundraising & Community Grants	-	5,000	6,650
Other Revenue	40,015	-	13,000
	<u>45,918</u>	<u>38,100</u>	<u>28,391</u>
Expenses			
Extra Curricular Activities Costs	2,268	5,300	3,792
Trading	7,342	2,700	2,101
Fundraising and Community Grant Costs	-	1,000	3,253
	<u>9,610</u>	<u>9,000</u>	<u>9,146</u>
	<u>36,308</u>	<u>29,100</u>	<u>19,245</u>

Surplus/ (Deficit) for the year Locally raised funds

4. Learning Resources

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Curricular	14,986	27,600	15,641
Equipment Repairs	1,316	400	-
Information and Communication Technology	2,503	7,000	3,286
Library Resources	1,330	1,000	336
Employee Benefits - Salaries	537,775	467,700	477,827
Staff Development	777	6,500	7,670
Depreciation	29,719	20,000	25,552
MOE Asbestos Funding	50,407		
	<u>638,813</u>	<u>530,200</u>	<u>530,312</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	4,925	5,800	4,785
Board Fees	2,855	4,000	2,525
Board Expenses	6,023	5,500	12,523
Communication	1,224	1,500	1,427
Consumables	1,777	2,100	1,989
Healthy School Lunches	74,559	-	49,313
Other	4,790	6,670	6,651
Employee Benefits - Salaries	59,194	32,400	45,307
Insurance	2,424	2,500	2,913
Service Providers, Contractors and Consultancy	6,310	6,112	5,705
	164,081	66,582	133,138

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	2,485	2,900	2,667
Consultancy and Contract Services	12,546	12,000	10,797
Cyclical Maintenance Provision	12,604	500	(7,509)
Grounds	4,260	3,300	3,813
Heat, Light and Water	5,365	5,000	5,044
Rates	863	800	794
Repairs and Maintenance	32,902	6,600	6,958
Use of Land and Buildings	112,814	140,000	99,794
Security	357	500	1,212
Employee Benefits - Salaries	1,146	5,000	2,717
	185,342	176,600	126,287

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	11,576	142,805	99,747
Cash and cash equivalents for Statement of Cash Flows	11,576	142,805	99,747

Of the \$11,576 Cash and Cash Equivalents, \$186 is held by the School on behalf of the Ministry of Education (2021: \$81,328). 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.



8. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Receivables	17	17	17
Interest Receivable	92	400	276
Teacher Salaries Grant Receivable	38,940	31,000	30,303
	<u>39,049</u>	<u>31,417</u>	<u>30,596</u>

Receivables from Exchange Transactions	109	417	293
Receivables from Non-Exchange Transactions	38,940	31,000	30,303
	<u>39,049</u>	<u>31,417</u>	<u>30,596</u>

9. Inventories

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Stationery	4,492	690	693
School Uniforms	7,205	-	-
	<u>11,697</u>	<u>690</u>	<u>693</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	25,000	-	90,406
	<u>25,000</u>	<u>-</u>	<u>90,406</u>
Total Investments			

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Land	150,000	-	-	-	-	150,000
Buildings	59,018	-	-	-	(2,728)	56,290
Building Improvements	40,937	-	(4,546)	-	(8,157)	28,234
Furniture and Equipment	37,299	12,024	(4,282)	-	(9,147)	35,894
Information and Communication Technology	15,090	14,639	-	-	(5,328)	24,401
Leased Assets	1,594	10,428	-	-	(4,070)	7,952
Library Resources	2,310	-	-	-	(289)	2,021
Balance at 31 December 2022	306,248	37,091	(8,828)	-	(29,719)	304,792

The net carrying value of equipment held under a finance lease is \$7,951 (2021: \$1,592)

Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land	150,000	-	150,000	150,000	-	150,000
Buildings	104,330	(48,040)	56,290	104,264	(45,246)	59,018
Building Improvements	98,978	(70,744)	28,234	107,358	(66,421)	40,937
Furniture and Equipment	138,066	(102,172)	35,895	139,679	(102,380)	37,299
Information and Communication Tec	66,419	(42,018)	24,401	77,542	(62,452)	15,090
Leased Assets	13,541	(5,590)	7,951	12,478	(10,884)	1,594
Library Resources	23,804	(21,783)	2,021	23,804	(21,494)	2,310
Balance at 31 December	595,138	(290,347)	304,792	615,125	(308,877)	306,248

12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	-	16,012	16,012
Accruals	24,375	4,785	4,785
Banking Staffing Overuse	16,539	2,400	3,994
Employee Entitlements - Salaries	38,324	31,500	31,116
Employee Entitlements - Leave Accrual	669	-	-
	79,907	54,697	55,907
Payables for Exchange Transactions	79,907	54,697	55,907
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)			
Payables for Non-exchange Transactions - Other			
	79,907	54,697	55,907

The carrying value of payables approximates their fair value.



13. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Other revenue in Advance	759	-	10,628
	<u>759</u>	<u>-</u>	<u>10,628</u>

14. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	42,224	42,224	49,733
Increase to the Provision During the Year	12,604	3,276	(7,509)
Use of the Provision During the Year	(13,957)	-	-
Provision at the End of the Year	<u>40,871</u>	<u>45,500</u>	<u>42,224</u>
Cyclical Maintenance - Current	-	9,000	6,710
Cyclical Maintenance - Non current	40,871	36,500	35,514
	<u>40,871</u>	<u>45,500</u>	<u>42,224</u>

15. 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	3,576	1,500	1,491
Later than One Year and no Later than Five Years	5,225	600	535
Future Finance Charges			(127)
	<u>8,801</u>	<u>2,100</u>	<u>1,899</u>
Represented by			
Finance lease liability - Current	3,576	1,500	1,392
Finance lease liability - Non current	5,225	600	507
	<u>8,801</u>	<u>2,100</u>	<u>1,899</u>

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	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
School Re-Key	(430)	-	-	430	-
Toilet Upgrade	675	-	(675)	-	-
Electrical upgrade	(2,969)	-	-	2,969	-
Fire Alarm	(100)	-	-	100	-
Heat Pumps	(978)	-	-	978	-
New Adventure Playground (SIP)	65	-	(65)	-	-
Pool Skimmers & Pipework (SIP)	195	-	(195)	-	-
Walkway Roof (SIP)	1,396	-	(1,396)	-	-
MoE Classroom upgrades	81,328	-	(81,142)	-	186
Asbestos Removal	-	297,428	(317,960)	-	(20,532)
Totals	79,182	297,428	(401,433)	4,477	(20,346)

Represented by:

Funds Held on Behalf of the Ministry of Education	186
Funds Receivable from the Ministry of Education	(20,532)

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
School Re-Key	(430)	-	-	-	(430)
Toilet Upgrade	675	-	-	-	675
Electrical upgrade	(6,627)	3,658	-	-	(2,969)
Fire Alarm	(11,800)	11,700	-	-	(100)
Heat Pumps	(2,398)	1,420	-	-	(978)
New Adventure Playground (SIP)	(449)	514	-	-	65
Pool Skimmers & Pipework (SIP)	1,945	(1,750)	-	-	195
Walkway Roof (SIP)	5,890	(4,494)	-	-	1,396
MoE Classroom upgrades	-	83,468	(2,140)	-	81,328
Totals	(13,194)	94,516	(2,140)	-	79,182

Represented by:

Funds Held on Behalf of the Ministry of Education	83,659
Funds Receivable from the Ministry of Education	(4,477)

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	2021
	Actual	Actual
	\$	\$
<i>Board Members</i> Remuneration	2,855	2,525
<i>Leadership Team</i> Remuneration Full-time equivalent members	136,409 1	111,148 1
Total key management personnel remuneration	139,264	113,673

There are 5 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 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:

	2022	2021
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	60-70	110-120
Benefits and Other Emoluments	1-5	1-5
Termination Benefits	-	-

Principal 2

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

	2022	2021
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	70-80	-
Benefits and Other Emoluments	1-5	-
Termination Benefits	-	-

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	2021
	Actual	Actual
Total	-	\$10,615
Number of People	-	1

20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets (except as noted below) 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.

The Ministry of Education provided additional funding for both Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School has not been notified of the final wash up calculation relating to 31 December 2022. The final calculations impact on the financial statements is unable to be determined at the date of reporting.

Additional Funding Wash-up Payment

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The school is yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2022.

The Ministry is in the process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The School has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023.

21. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has not entered into any new contract agreements for capital works.

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into new contracts.

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	11,576	142,805	99,747
Receivables	39,049	31,417	30,596
Investments - Term Deposits	25,000	-	90,406
Total Financial assets measured at amortised cost	<u>75,625</u>	<u>174,222</u>	<u>220,749</u>

Financial liabilities measured at amortised cost

Payables	79,907	54,697	55,907
Finance Leases	8,803	2,100	1,900
Total Financial Liabilities Measured at Amortised Cost	<u>88,710</u>	<u>56,797</u>	<u>57,807</u>

23. Events After Balance Date

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

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

Analysis of Variance Reporting



School Name:	Te Paina School - Year 2022		School Number: 1372						
Strategic Aim:	<ul style="list-style-type: none"> • Strategic Aim 1: To provide learning that is personally designed to ensure each child is engaged and has the resources they need to be successful. • Strategic Aim 2: Strengthening our people, practices and our whenua to ensure we are leading into tomorrow's successes. • Strategic Aim 3: Create learning partnerships that are inclusive and equitable between student, teacher and whanau. 								
Annual Aim:	<table border="1"> <tr> <td data-bbox="245 936 686 1062"> Strategic Aim 1: To provide learning that is personally designed to ensure each child is engaged and has the resources they need to be successful. </td> <td data-bbox="686 936 1122 1062"> Strategic Aim 2: Strengthening our people, practices and our whenua to ensure we are leading into tomorrow's successes. </td> <td data-bbox="1122 936 1573 1062"> Strategic Aim 3: Create learning partnerships that are inclusive and equitable between student, teacher and whanau. </td> </tr> <tr> <td data-bbox="245 1062 686 1192"> Students lead their learning pathway and can dialogue their needs, strengths and next steps. </td> <td data-bbox="686 1062 1122 1192"> From within our kura, leaders are born, our whenua supports and nurtures our tamariki and we are innovative leaders of learning. </td> <td data-bbox="1122 1062 1573 1192"> The strongest possible connection is alive and lives in all stakeholders who are in any way connected to the kura and whenua. </td> </tr> </table>			Strategic Aim 1: To provide learning that is personally designed to ensure each child is engaged and has the resources they need to be successful.	Strategic Aim 2: Strengthening our people, practices and our whenua to ensure we are leading into tomorrow's successes.	Strategic Aim 3: Create learning partnerships that are inclusive and equitable between student, teacher and whanau.	Students lead their learning pathway and can dialogue their needs, strengths and next steps.	From within our kura, leaders are born, our whenua supports and nurtures our tamariki and we are innovative leaders of learning.	The strongest possible connection is alive and lives in all stakeholders who are in any way connected to the kura and whenua.
Strategic Aim 1: To provide learning that is personally designed to ensure each child is engaged and has the resources they need to be successful.	Strategic Aim 2: Strengthening our people, practices and our whenua to ensure we are leading into tomorrow's successes.	Strategic Aim 3: Create learning partnerships that are inclusive and equitable between student, teacher and whanau.							
Students lead their learning pathway and can dialogue their needs, strengths and next steps.	From within our kura, leaders are born, our whenua supports and nurtures our tamariki and we are innovative leaders of learning.	The strongest possible connection is alive and lives in all stakeholders who are in any way connected to the kura and whenua.							
Target:	Reading There was no baseline data recorded to report against targets. We have reinstated assessment and will form baseline targets for 2023. Writing Maths								
Baseline Data:	Reading Writing								

Tātaritanga raraunga

Maths

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
Curriculum events DMIC maths continuation STEPS programme	Maths increase High attendance	Big success - connecting with whanau Writing - limited teacher capabilities COVID disruptions Asbestos disruptions Previous Principal resigned and the transition principal in place.	Continue DMIC - establish the way we do Maths at Te Paina Reinstate - Goldentime - Shared understanding of what Writing looks like and align PLD based on the needs of both akonga and kaiako UDL? Where are we at and determine whether we are ready. Across School leader leading more PLD and support in staff meetings and reporting to the BoT

Planning for next year:

1. Continue DMIC Maths with all staff - Establish what Maths looks like at Te Paina School.
2. Connections with Tainui to investigate our history - rebuild connections with Too Taatou Haerenga Kaahui Ako and involvement in PLD

Tātaritanga raraunga

3. Establish Māori learning as Māori way of being such as Kapa Haka, noho marae and learning more about Tainui waiata and places of significance for our students to deepen their connection with their whenua.
4. Use new spaces to create a hall, performing arts space,
5. Imbed the Digital Technologies Curriculum - UTB funded PLD from Ministry - growing the use of technology using the SAMR model to guide our thinking.
6. Re-establish what Writing looks like at Te Paina School - Have a learning pathway for Writing throughout the school
7. Re-define what external programmes we are using and reduce them for consistency - E.g STEPS, Reading Eggs, Mathletics etc.



TE PAINA SCHOOL

Opening Minds To Tomorrow's World

23rd May 2023.

This letter is to acknowledge receipt of Kiwisport donation to the school of \$784.35.

This money was spent as part of the monies paid to the Youthtown sports program we offer in school. The cost of the total program is \$ 5040.00 Refer payment made the 1st november 2022 Inv 10678

Mandy Gillott
Presiding Member

A handwritten signature in black ink, appearing to read 'Mandy Gillott', is written below the printed name.



TE PAINA SCHOOL

Opening Minds To Tomorrow's World

24th May 2023

Statement of Compliance with Employment Policy for the year ended 31st December 2023:

- The school utilises School Docs to maintain and keep up to date all our currently implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment;
- Has reviewed on the set policy cycle its compliance around personnel policy and procedures and can confirm that it meets all the requirements and identified best practice;
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board;
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination,
- Meets all Equal Employment Opportunities requirements

Mandy Gillott Presiding Member 24th May 2023

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TE PAINA SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Te Paina School (the School). The Auditor-General has appointed me, Johann van Loggerenberg, using the staff and resources of PKF Hamilton Audit Ltd, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 31 May 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 1, 20 to 24, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Johann van Loggerenberg
Director
PKF Hamilton Audit Ltd
On behalf of the Auditor-General
Hamilton, New Zealand