













# Whangara School

## Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Cash Flows from Operating Activities</b>				
Government Grants		404,660	296,800	330,159
Locally Raised Funds		41,431	55,080	108,360
Goods and Services Tax (net)		690	9,281	10,178
Payments to Employees		(190,886)	(165,000)	(167,941)
Payments to Suppliers		(161,343)	(250,693)	(153,621)
Interest Paid		(517)	(700)	(688)
Interest Received		178	-	429
Net Cash from/(to) Operating Activities		94,213	(55,232)	126,876
<b>Cash Flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	(42,000)	-
Purchase of Property Plant & Equipment (and Intangibles)		(92,528)	(24,000)	(83,501)
Net Cash from/(to) Investing Activities		(92,528)	(66,000)	(83,501)
<b>Cash Flows from Financing Activities</b>				
Furniture and Equipment Grant		35,625	-	962
Finance Lease Payments		(3,980)	34,000	(4,637)
Funds Administered on Behalf of Third Parties		9,257	13,767	240
Net Cash from/(to) Financing Activities		40,902	47,767	(3,435)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>42,587</b>	<b>(73,465)</b>	<b>39,940</b>
Cash and Cash Equivalents at the Beginning of the Year	7	150,556	186,465	110,616
<b>Cash and Cash Equivalents at the End of the Year</b>	7	<b>193,143</b>	<b>113,000</b>	<b>150,556</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.

# Whangara School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Whangara School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

##### b) Basis of Preparation

###### *Reporting Period*

The financial reports have been prepared for the period 1 January 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 12.

###### *Useful Lives of Property, Plant and Equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 9.



### **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.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. 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. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

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

#### **Other Grants**

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

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

Donations, gifts and bequests are 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) 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 credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectible debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

### **g) 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	50 years
Furniture and Equipment	5 - 10 years
Information and Communication Technology	3 years
Motor Vehicles	5 years
Leased Assets	Term of Lease
Library Resources	12.5% Diminishing value

### **h) 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.

### **i) 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.

### **j) 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.

**k) Revenue Received in Advance**

Revenue received in advance relates to fees received from students 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.

**l) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

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

**m) 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.

**n) Provision for Cyclical Maintenance**

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

**o) Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are 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.

**p) Borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

**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 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	294,295	284,574	268,203
Teachers' Salaries Grants	735,793	743,487	743,487
Use of Land & Buildings Grants	166,112	119,956	119,956
Other MoE Grants	110,419	37,250	64,834
	<u>1,306,619</u>	<u>1,185,267</u>	<u>1,196,480</u>

The school has opted in to the donations scheme for this year. Total amount received was \$12,900.

## 3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
Donations & Bequests	2,008	17,000	54,154
Fees for Extra Curricular Activities	379	1,000	1,052
Trading	3,455	6,000	4,712
Other Revenue	33,639	29,580	43,679
	<u>39,481</u>	<u>53,580</u>	<u>103,597</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	2,077	4,000	1,618
Fundraising & Community Grant Costs	-	1,000	678
Other Locally Raised Funds Expenditure	1,868	2,000	3,107
	<u>3,945</u>	<u>7,000</u>	<u>5,403</u>
<i>Surplus/(Deficit) for the Year Locally Raised Funds</i>	<u>35,536</u>	<u>46,580</u>	<u>98,194</u>

## 4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	46,962	25,620	23,051
Equipment Repairs	1,102	2,000	340
Information & Communication Technology	9,531	14,500	11,623
Employee Benefits - Salaries	858,915	853,987	860,315
Staff Development	7,044	7,100	8,305
	<u>923,554</u>	<u>903,207</u>	<u>903,634</u>

## 5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	4,389	4,150	3,990
Board Fees	2,685	3,000	2,650
Board Expenses	2,193	3,000	3,828
Communication	978	1,000	1,041
Consumables	6,290	6,700	8,046
Other	5,011	7,650	9,994
Employee Benefits - Salaries	67,764	54,500	51,113
Insurance	831	813	813
Service Providers, Contractors & Consultancy	5,820	5,660	6,135
	95,961	86,473	87,610

## 6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	5,447	4,300	3,825
Consultancy and Contract Services	1,269	1,200	1,269
Cyclical Maintenance Provision	334	3,136	13,559
Grounds	2,835	3,500	2,486
Heat, Light and Water	13,942	14,500	14,041
Repairs and Maintenance	10,130	30,900	16,494
Use of Land & Buildings	166,112	119,956	119,956
	200,069	177,492	171,630

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, 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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	193,143	113,000	150,556
Cash and Cash Equivalents for Statement of Cash Flows	193,143	113,000	150,556

Of the \$193,143 Cash and Cash Equivalents, \$18,974 is held by the School on behalf of the Porou Ariki Kahui Ako Cluster. See note 16 for details of how the funding received for the cluster has been spent in the year.

Of the \$193,143 Cash and Cash Equivalents, \$3,975 is held by the School on behalf of the Whanau Group.

## 8. Accounts Receivable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Receivables	3,515	-	945
Receivables from the Ministry of Education	2,932	-	2,878
Teacher Salaries Grant Receivable	67,111	50,000	53,302
	<u>73,558</u>	<u>50,000</u>	<u>57,125</u>
Receivables from Exchange Transactions	3,515	-	945
Receivables from Non-Exchange Transactions	70,043	50,000	56,180
	<u>73,558</u>	<u>50,000</u>	<u>57,125</u>

## 9. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	157,050	3,554	-	-	(4,320)	156,284
Furniture & Equipment	12,473	45,204	(14)	-	(5,323)	52,340
Information & Communication Technology	15,767	12,981	-	-	(9,586)	19,162
Motor Vehicles	50,005	-	-	-	(11,540)	38,465
Leased Assets	5,930	1,391	-	-	(3,971)	3,350
Library Resources	2,199	1	-	-	(275)	1,925
<b>Balance at 31 December 2021</b>	<u>243,424</u>	<u>63,131</u>	<u>(14)</u>	<u>-</u>	<u>(35,015)</u>	<u>271,526</u>

The net carrying value of equipment held under a finance lease is \$3,350 (2020: \$5,930)

	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value	2020 Cost or Valuation	2020 Accumulated Depreciation	2020 Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	217,779	(61,495)	156,284	214,225	(57,175)	157,050
Furniture & Equipment	148,216	(95,876)	52,340	132,858	(120,385)	12,473
Information & Communication Technology	68,873	(49,711)	19,162	57,257	(41,490)	15,767
Motor Vehicles	99,666	(61,201)	38,465	99,666	(49,661)	50,005
Leased Assets	14,832	(11,482)	3,350	13,441	(7,511)	5,930
Library Resources	8,905	(6,980)	1,925	8,905	(6,706)	2,199
<b>Balance at 31 December</b>	<u>558,271</u>	<u>(286,745)</u>	<u>271,526</u>	<u>526,352</u>	<u>(282,928)</u>	<u>243,424</u>

## 10. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	16,971	6,000	10,634
Accruals	5,601	4,000	3,990
Employee Entitlements - Salaries	67,111	50,000	53,302
	<u>89,683</u>	<u>60,000</u>	<u>67,926</u>
Payables for Exchange Transactions	89,683	60,000	67,926
	<u>89,683</u>	<u>60,000</u>	<u>67,926</u>

The carrying value of payables approximates their fair value.

## 11. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Other Revenue in Advance	4,580	500	60
	<u>4,580</u>	<u>500</u>	<u>60</u>

## 12. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	44,533	44,533	30,974
Increase/ (decrease) to the Provision During the Year	334	3,136	13,559
Use of the Provision During the Year	-	(47,669)	-
Provision at the End of the Year	<u>44,867</u>	<u>-</u>	<u>44,533</u>
Cyclical Maintenance - Current	44,867	-	44,533
	<u>44,867</u>	<u>-</u>	<u>44,533</u>

### 13. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	2,979	5,000	4,099
Later than One Year and no Later than Five Years	1,112	6,200	2,948
Future Finance Charges	(212)	(1,200)	(579)
	3,879	10,000	6,468
<b>Represented by</b>			
Finance Lease Liability - Current	2,979	5,000	4,099
Finance Lease Liability - Term	900	5,000	2,369
	3,879	10,000	6,468

### 14. Funds Held in Trust

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	3,975	-	-
	3,975	-	-

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

### 15. Funds Held for Capital Works Projects

During the year the School did not receive applied funding from the Ministry of Education for capital works projects.

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Totals	-	-	-	-	-

#### Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Due from the Ministry of Education	-
	-

2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Site Capital Maintenance & Lifecycle of Replacement Heating - 208024	9,874	19,277	(29,151)	-	-
Totals	9,874	19,277	(29,151)	-	-





## 16. Funds Held on Behalf of the Porou Ariki Kahui Ako

Whangara School is the lead school and holds funds on behalf of the Porou Ariki Kahui Ako cluster, a group of schools funded by the Ministry.

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held at Beginning of the Year	13,692	13,692	2,345
Funds Received from Cluster Members	12,000	7,500	7,827
Funds Received from MoE	6,120	8,500	9,780
Total Funds Received	18,120	16,000	19,952
Funds Spent on Behalf of the Cluster	12,838	9,692	6,260
Funds Remaining	5,282	6,308	13,692
Distribution of Funds			
Funds Held at Year End	18,974	20,000	13,692

## 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.

The principal Lisa Maniapoto rents the school house at \$330 per week.

## 18. Remuneration

### *Key Management Personnel Compensation*

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i> Remuneration	2,685	2,650
<i>Leadership Team</i> Remuneration	267,125	251,463
Full-time Equivalent Members	2.00	2.00
Total Key Management Personnel Remuneration	269,810	255,113



There are 8 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

*Principal 1*

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

	<b>2021 Actual \$000</b>	<b>2020 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

*Other Employees*

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

<b>Remuneration \$000</b>	<b>2021 FTE Number</b>	<b>2020 FTE Number</b>
100 - 110	1	1
	<u>1</u>	<u>1</u>

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

**19. Compensation and Other Benefits Upon Leaving**

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

	<b>2021 Actual</b>	<b>2020 Actual</b>
Total	\$0	\$0
Number of People	-	-

**20. 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: \$24,828).

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.



## 21. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has not entered into contract agreements for capital works.

(Capital commitments at 31 December 2020: \$nil)

## 22. Financial Instruments

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

### Financial Assets Measured at Amortised Cost

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Cash and Cash Equivalents	193,143	113,000	150,556
Receivables	73,558	50,000	57,125
Total Financial Assets Measured at Amortised Cost	<u>266,701</u>	<u>163,000</u>	<u>207,681</u>

### Total Financial Liabilities Measured at Amortised Cost

Payables	89,683	60,000	67,926
Finance Leases	3,879	10,000	6,468
Total Financial Liabilities Measured at Amortised Cost	<u>93,562</u>	<u>70,000</u>	<u>74,394</u>

## 23. Events After Balance Date

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

## 24. Comparatives

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

## 25. COVID 19 Pandemic Ongoing 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 of 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.

# Whangara School

## Kiwisport Report

For the year ended 31 December 2021

During the year the Board was the recipient of additional Government funding for specific purposes:

Kiwisport is a Government funded initiative to support students' participation in organised sport. In 2021 the school received total Kiwisport funding of \$1,277 (excluding GST). The funding was put towards a range of sports equipment to resource the school to support and initiate student participation in a variety of sports.

The number of students participating in organised sport continues to be at excellent levels.