

# SALFORD SCHOOL



## ANNUAL REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**School Directory**

**Ministry Number:** 4014

**Principal:** Sarah Gibbs

**School Address:** 110 Lamond Street East, Hargest, Invercargill, 9810

**School Phone:** 03 217 9521

**School Email:** [admin@salford.school.nz](mailto:admin@salford.school.nz)

# SALFORD SCHOOL

Annual Report - For the year ended 31 December 2022

## Index

| Page | Statement |
|------|-----------|
|------|-----------|

### Financial Statements

|                        |  |
|------------------------|--|
| <a href="#">1</a>      | Statement of Responsibility                    |
| <a href="#">2</a>      | Members of the Board                           |
| <a href="#">3</a>      | Statement of Comprehensive Revenue and Expense |
| <a href="#">4</a>      | Statement of Changes in Net Assets/Equity      |
| <a href="#">5</a>      | Statement of Financial Position                |
| <a href="#">6</a>      | Statement of Cash Flows                        |
| <a href="#">7 - 18</a> | Notes to the Financial Statements              |

### Other Information

Analysis of Variance

Kiwisport

Independent Auditor's Report

# Salford 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.

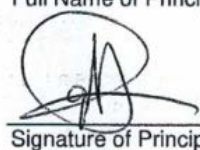
The School's 2022 financial statements are authorised for issue by the Board.

Michelle Findlater  
Full Name of Presiding Member

  
Signature of Presiding Member

13/2/2024  
Date:

Sarah Gibbs  
Full Name of Principal

  
Signature of Principal

13/2/2024  
Date:

# Salford School

## Members of the Board

For the year ended 31 December 2022

| <b>Name</b>        | <b>Position</b>                           | <b>How Position Gained</b> | <b>Term Expired/ Expires</b> |
|--------------------|---|----------------------------|------------------------------|
| Mary Foley         | Presiding Member                          | Elected                    | Sep 2022                     |
| Marama Davis       | Presiding Member<br>Parent Representative | Appointed<br>Co-opted      | Dec 2022<br>Apr 2024         |
| Sarah Gibbs        | Principal                                 | ex Officio                 |                              |
| Darren Schwass     | Parent Representative                     | Elected                    | Sep 2022                     |
| Nicola Boutcher    | Parent Representative                     | Elected                    | Sep 2022                     |
| Amelia Edgerton    | Parent Representative                     | Elected                    | Sep 2025                     |
| Scott Lindsay      | Parent Representative                     | Elected                    | Sep 2022                     |
| Nikki McRobie      | Parent Representative                     | Elected                    | Sep 2025                     |
| Janine Morris      | Staff Representative                      | Elected                    | Sep 2022                     |
| Michelle Findlater | Parent Representative                     | Elected                    | Sep 2025                     |
| Dallas Peters      | Parent Representative                     | Elected                    | Sep 2025                     |
| Tracey Jones       | Staff Representative                      | Elected                    | Sep 2025                     |

# Salford School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

|   |       | 2022             | 2022             | 2021             |
|---|-------|------------------|------------------|------------------|
|   | Notes | Actual           | Budget           | Actual           |
|   |       | \$               | (Unaudited)      | \$               |
|   |       |                  | \$               |                  |
| <b>Revenue</b>  |       |                  |                  |                  |
| Government Grants   | 2     | 2,378,332        | 2,717,719        | 2,296,003        |
| Locally Raised Funds  | 3     | 182,948          | 134,000          | 149,217          |
| Interest Income   |       | 5,872            | 2,500            | 2,077            |
| Gain on Sale of Property, Plant and Equipment               |       | -                | -                | 94               |
|   |       | <u>2,567,152</u> | <u>2,854,219</u> | <u>2,447,391</u> |
| <b>Expenses</b>   |       |                  |                  |                  |
| Locally Raised Funds  | 3     | 38,122           | 31,600           | 33,509           |
| Learning Resources  | 4     | 1,805,699        | 2,199,660        | 1,848,113        |
| Administration  | 5     | 146,892          | 147,875          | 132,310          |
| Finance   |       | 2,190            | -                | 2,188            |
| Property  | 6     | 436,102          | 486,000          | 438,427          |
| Loss on Disposal of Property, Plant and Equipment           |       | 2,237            | 500              | -                |
|   |       | <u>2,431,242</u> | <u>2,865,635</u> | <u>2,454,547</u> |
| <b>Net Surplus / (Deficit) for the year</b>                 |       | 135,910          | (11,416)         | (7,156)          |
| Other Comprehensive Revenue and Expense                     |       | -                | -                | -                |
| <b>Total Comprehensive Revenue and Expense for the Year</b> |       | <u>135,910</u>   | <u>(11,416)</u>  | <u>(7,156)</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.

# Salford School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

| Notes  | 2022<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| <b>Equity at 1 January</b>                           | 435,643              | 435,643                             | 439,639              |
| Total comprehensive revenue and expense for the year | 135,910              | (11,416)                            | (7,156)              |
| Contributions from the Ministry of Education         |                      |                                     |                      |
| Contribution - Furniture and Equipment Grant         | -                    | 3,250                               | 3,160                |
| <b>Equity at 31 December</b>                         | 571,553              | 427,477                             | 435,643              |
| Accumulated comprehensive revenue and expense        | 571,553              | 427,477                             | 435,643              |
| <b>Equity at 31 December</b>                         | 571,553              | 427,477                             | 435,643              |

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.

# Salford School

## Statement of Financial Position

As at 31 December 2022

|   |       | 2022           | 2022           | 2021           |
|---|-------|----------------|----------------|----------------|
|   | Notes | Actual         | Budget         | Actual         |
|   |       | \$             | (Unaudited)    | \$             |
|   |       | \$             | \$             | \$             |
| <b>Current Assets</b>                       |       |                |                |                |
| Cash and Cash Equivalents                   | 7     | 160,028        | 45,348         | 72,472         |
| Accounts Receivable                         | 8     | 141,644        | 132,683        | 132,683        |
| GST Receivable                              |       | 1,902          | 11,657         | 11,657         |
| Prepayments                                 |       | 23,417         | 17,440         | 17,440         |
| Inventories                                 | 9     | 1,328          | -              | -              |
| Investments                                 | 10    | 256,430        | 177,771        | 177,771        |
| Funds Receivable for Capital Works Projects | 18    | -              | 28,665         | 28,665         |
|   |       | <u>584,749</u> | <u>413,564</u> | <u>440,688</u> |
| <b>Current Liabilities</b>                  |       |                |                |                |
| Accounts Payable                            | 12    | 182,151        | 157,446        | 157,446        |
| Revenue Received in Advance                 | 13    | 2,001          | -              | -              |
| Provision for Cyclical Maintenance          | 14    | 36,917         | 29,533         | 2,520          |
| Painting Contract Liability                 | 15    | 6,459          | 6,459          | 14,958         |
| Finance Lease Liability                     | 16    | 10,726         | 15,795         | 15,795         |
| Funds held in Trust                         | 17    | 2,818          | 182            | 182            |
| Funds held for Capital Works Projects       | 18    | 13,157         | -              | -              |
|   |       | <u>254,229</u> | <u>209,415</u> | <u>190,901</u> |
| <b>Working Capital Surplus/(Deficit)</b>    |       | 330,520        | 204,149        | 249,787        |
| <b>Non-current Assets</b>                   |       |                |                |                |
| Property, Plant and Equipment               | 11    | 265,468        | 243,780        | 239,780        |
|   |       | <u>265,468</u> | <u>243,780</u> | <u>239,780</u> |
| <b>Non-current Liabilities</b>              |       |                |                |                |
| Provision for Cyclical Maintenance          | 14    | 10,381         | 2,879          | 32,917         |
| Painting Contract Liability                 | 15    | -              | -              | 3,434          |
| Finance Lease Liability                     | 16    | 14,054         | 17,573         | 17,573         |
|   |       | <u>24,435</u>  | <u>20,452</u>  | <u>53,924</u>  |
| <b>Net Assets</b>                           |       | <u>571,553</u> | <u>427,477</u> | <u>435,643</u> |
| <b>Equity</b>                               |       | <u>571,553</u> | <u>427,477</u> | <u>435,643</u> |

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

# Salford School

## Statement of Cash Flows

For the year ended 31 December 2022

|   |          | 2022           | 2022            | 2021             |
|---|----------|----------------|-----------------|------------------|
|   | Note     | Actual         | Budget          | Actual           |
|   |          | \$             | (Unaudited)     | \$               |
|   |          | \$             | \$              | \$               |
| <b>Cash flows from Operating Activities</b>                 |          |                |                 |                  |
| Government Grants   |          | 611,142        | 542,219         | 586,906          |
| Locally Raised Funds  |          | 174,331        | 134,000         | 141,037          |
| International Students                                      |          | -              | -               | 8,739            |
| Goods and Services Tax (net)                                |          | 9,755          | -               | 18,172           |
| Payments to Employees                                       |          | (342,050)      | (367,900)       | (375,527)        |
| Payments to Suppliers                                       |          | (253,630)      | (284,235)       | (401,175)        |
| Interest Paid   |          | -              | -               | -                |
| Interest Received   |          | 4,594          | 2,500           | 3,136            |
| Net cash from/(to) Operating Activities                     |          | 204,142        | 26,584          | (18,712)         |
| <b>Cash flows from Investing Activities</b>                 |          |                |                 |                  |
| Purchase of Property Plant & Equipment (and Intangibles)    |          | (62,228)       | (42,000)        | (49,516)         |
| Purchase of Investments                                     |          | (78,659)       | -               | -                |
| Proceeds from Sale of Investments                           |          | -              | -               | 27,745           |
| Net cash (to)/from Investing Activities                     |          | (140,887)      | (42,000)        | (21,771)         |
| <b>Cash flows from Financing Activities</b>                 |          |                |                 |                  |
| Furniture and Equipment Grant                               |          | -              | 3,250           | 3,160            |
| Finance Lease Payments                                      |          | (14,244)       | -               | (15,074)         |
| Painting Contract Payments                                  |          | (11,933)       | (14,958)        | 18,392           |
| Funds Administered on Behalf of Third Parties               |          | 50,478         | -               | (116,248)        |
| Net cash from/(to) Financing Activities                     |          | 24,301         | (11,708)        | (109,770)        |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |          | <b>87,556</b>  | <b>(27,124)</b> | <b>(150,253)</b> |
| Cash and cash equivalents at the beginning of the year      | 7        | 72,472         | 72,472          | 222,725          |
| <b>Cash and cash equivalents at the end of the year</b>     | <b>7</b> | <b>160,028</b> | <b>45,348</b>   | <b>72,472</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.



# Salford School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### 1.1. Reporting Entity

Salford 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.

##### 1.2. 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 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 whole 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 16. Future operating lease commitments are disclosed in note 23b.

##### *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.

### **1.3. 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 to which they relate. 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 programmes are recorded as revenue when the School has the rights to the funding in the period to which they relate. 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 recognised as 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.

#### **1.4. Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

#### **1.5. 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.

#### **1.6. 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.

#### **1.7. Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The school's 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.

#### **1.8. Inventories**

Inventories are consumable items held for sale and comprised of 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.

#### **1.9. 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.

#### **1.10. 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 Statement of Comprehensive Revenue and Expense 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                    | 35 years                |
| Furniture and equipment                  | 5–15 years              |
| Information and communication technology | 4–10 years              |
| Leased assets held under a Finance Lease | Term of Lease           |
| Library resources                        | 12.5% Diminishing value |

### **1.11. 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 as 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 Statement of Comprehensive Revenue and Expense.

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

### **1.12. 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.

### **1.13. 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, 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 Statement of Comprehensive Revenue and Expense in the period in which they arise.

#### **1.14. Revenue Received in Advance**

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

#### **1.15. 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 Comprehensive Revenue and Expense.

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

#### **1.16. 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 Comprehensive Revenue and Expense.

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

#### **1.17. Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the Resource Teachers of Learning & Behaviour programme), all income and expenditure related to the provision of the service is recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

#### **1.18. 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.

Cyclical maintenance, which involves painting of the School, makes up the most significant part of the Board's responsibilities outside the 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 variety of periods in accordance with the conditional assessment of each area of the school. 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.

#### **1.19. Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in the Statement of Comprehensive Revenue and Expense.

#### **1.20. 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.

#### **1.21. Budget Figures**

The budget figures are extracted from the School budget that was approved by the Board.

#### **1.22. 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<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|---|----------------------|-------------------------------------|----------------------|
| Government Grants - Ministry of Education | 610,084              | 537,719                             | 585,211              |
| Teachers' Salaries Grants                 | 1,464,687            | 1,820,000                           | 1,426,672            |
| Use of Land and Buildings Grants          | 303,561              | 360,000                             | 271,692              |
| Other Government Grants                   | -                    | -                                   | 12,428               |
|   | <u>2,378,332</u>     | <u>2,717,719</u>                    | <u>2,296,003</u>     |

## 3. Locally Raised Funds

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

|  | 2022<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| <b>Revenue</b>                         |                      |                                     |                      |
| Donations & Bequests                   | 56,174               | 50,900                              | 51,822               |
| Fees for Extra Curricular Activities   | 16,149               | 16,500                              | 18,522               |
| Trading                                | 2,322                | 2,100                               | 2,794                |
| Fundraising & Community Grants         | 25,177               | 15,500                              | 17,533               |
| Other Revenue                          | 83,126               | 49,000                              | 49,807               |
| International Student Fees             | -                    | -                                   | 8,739                |
|  | <u>182,948</u>       | <u>134,000</u>                      | <u>149,217</u>       |
| <b>Expenses</b>                        |                      |                                     |                      |
| Extra Curricular Activities Costs      | 30,145               | 24,800                              | 25,320               |
| Trading                                | 2,494                | 2,100                               | 3,547                |
| Fundraising & Community Grant Costs    | 1,989                | 1,700                               | 1,853                |
| Other Locally Raised Funds Expenditure | 3,494                | 3,000                               | 2,789                |
|  | <u>38,122</u>        | <u>31,600</u>                       | <u>33,509</u>        |
|  | <u>144,826</u>       | <u>102,400</u>                      | <u>115,708</u>       |

*Surplus / (Deficit) for the year Locally raised funds*

During the year the School hosted 0 International students (2021:1)

## 4. Learning Resources

|  | 2022<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| Curricular                               | 39,563               | 59,960                              | 53,804               |
| Equipment Repairs                        | 125                  | 200                                 | 90                   |
| Information and Communication Technology | 2,438                | 8,000                               | 7,248                |
| Library Resources                        | 607                  | 2,000                               | 279                  |
| Employee Benefits - Salaries             | 1,702,957            | 2,081,000                           | 1,725,767            |
| Staff Development                        | 7,090                | 10,500                              | 13,573               |
| Depreciation                             | 52,919               | 38,000                              | 47,352               |
|  | <u>1,805,699</u>     | <u>2,199,660</u>                    | <u>1,848,113</u>     |

## 5. Administration

|  | 2022<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| Audit Fee                                      | 5,485                | 5,175                               | 3,031                |
| Board Fees                                     | 3,630                | 4,000                               | 3,645                |
| Board Expenses                                 | 11,975               | 12,500                              | 8,622                |
| Communication                                  | 4,793                | 5,000                               | 5,151                |
| Consumables                                    | 5,298                | 7,900                               | 7,749                |
| Operating Lease                                | 3,913                | -                                   | 5,805                |
| Other  | 20,249               | 22,200                              | 18,715               |
| Employee Benefits - Salaries                   | 76,976               | 76,400                              | 65,046               |
| Insurance                                      | 11,881               | 11,200                              | 11,776               |
| Service Providers, Contractors and Consultancy | 2,692                | 3,500                               | 2,770                |
|  | <u>146,892</u>       | <u>147,875</u>                      | <u>132,310</u>       |

## 6. Property

|                                     | 2022           | 2022           | 2021           |
|-------------------------------------|----------------|----------------|----------------|
|                                     | Actual         | Budget         | Actual         |
|                                     | \$             | (Unaudited)    | \$             |
| Caretaking and Cleaning Consumables | 10,524         | 8,000          | 8,759          |
| Consultancy and Contract Services   | 33,152         | 32,000         | 31,892         |
| Cyclical Maintenance Provision      | 14,886         | -              | 14,886         |
| Grounds                             | 1,500          | 2,500          | 2,902          |
| Heat, Light and Water               | 23,504         | 17,500         | 18,398         |
| Rates                               | 4,816          | 4,300          | 4,148          |
| Repairs and Maintenance             | 15,764         | 33,700         | 57,810         |
| Use of Land and Buildings           | 303,561        | 360,000        | 271,692        |
| Security                            | 3,271          | 2,000          | 1,937          |
| Employee Benefits - Salaries        | 25,124         | 26,000         | 26,003         |
|                                     | <u>436,102</u> | <u>486,000</u> | <u>438,427</u> |

The Use of Land and Buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

## 7. Cash and Cash Equivalents

|   | 2022           | 2022          | 2021          |
|---|----------------|---------------|---------------|
|   | Actual         | Budget        | Actual        |
|   | \$             | (Unaudited)   | \$            |
| Bank Accounts   | 160,028        | 45,348        | 72,472        |
| Cash and Cash Equivalents for Statement of Cash Flows | <u>160,028</u> | <u>45,348</u> | <u>72,472</u> |

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

Of the \$160,028 Cash and Cash Equivalents, \$19,177 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

## 8. Accounts Receivable

|  | 2022           | 2022           | 2021           |
|--|----------------|----------------|----------------|
|  | Actual         | Budget         | Actual         |
|  | \$             | (Unaudited)    | \$             |
| Receivables                                | 20,033         | 9,415          | 9,415          |
| Receivables from the Ministry of Education | -              | 6,158          | 6,158          |
| Interest Receivable                        | 1,613          | 335            | 335            |
| Banking Staffing Underuse                  | -              | 4,500          | 4,500          |
| Teacher Salaries Grant Receivable          | 119,998        | 112,275        | 112,275        |
|  | <u>141,644</u> | <u>132,683</u> | <u>132,683</u> |
| Receivables from Exchange Transactions     | 21,646         | 9,750          | 9,750          |
| Receivables from Non-Exchange Transactions | 119,998        | 122,933        | 122,933        |
|  | <u>141,644</u> | <u>132,683</u> | <u>132,683</u> |

## 9. Inventories

|                 | 2022         | 2022        | 2021     |
|-----------------|--------------|-------------|----------|
|                 | Actual       | Budget      | Actual   |
|                 | \$           | (Unaudited) | \$       |
| School Uniforms | 1,328        | -           | -        |
|                 | <u>1,328</u> | <u>-</u>    | <u>-</u> |

## 10. Investments

The School's investment activities are classified as follows:

|                          | 2022           | 2022<br>Budget | 2021           |
|--------------------------|----------------|----------------|----------------|
|                          | Actual         | (Unaudited)    | Actual         |
|                          | \$             | \$             | \$             |
| Current Asset            |                |                |                |
| Short-term Bank Deposits | 256,430        | 177,771        | 177,771        |
| <b>Total Investments</b> | <u>256,430</u> | <u>177,771</u> | <u>177,771</u> |

## 11. Property, Plant and Equipment

|  | Opening<br>Balance (NBV) | Additions     | Disposals      | Impairment | Depreciation    | Total (NBV)    |
|--|--------------------------|---------------|----------------|------------|-----------------|----------------|
|  | \$                       | \$            | \$             | \$         | \$              | \$             |
| <b>2022</b>                              |                          |               |                |            |                 |                |
| Building Improvements                    | 70,069                   | 28,302        | -              | -          | (7,431)         | 90,940         |
| Furniture and Equipment                  | 99,260                   | 14,586        | -              | -          | (11,868)        | 101,978        |
| Information and Communication Technology | 22,098                   | 28,385        | -              | -          | (15,219)        | 35,264         |
| Leased Assets                            | 32,872                   | 7,951         | -              | -          | (16,543)        | 24,280         |
| Library Resources                        | 15,481                   | 1,620         | (2,237)        | -          | (1,858)         | 13,006         |
| <b>Balance at 31 December 2022</b>       | <u>239,780</u>           | <u>80,844</u> | <u>(2,237)</u> | <u>-</u>   | <u>(52,919)</u> | <u>265,468</u> |

The net carrying value of equipment held under a finance lease is \$24,280 (2021: \$32,872)

### Restrictions

With the exception of the contractual restrictions relating to the above noted finance leases, there are no other 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<br>Cost or<br>Valuation | 2022<br>Accumulated<br>Depreciation | 2022<br>Net Book<br>Value | 2021<br>Cost or<br>Valuation | 2021<br>Accumulated<br>Depreciation | 2021<br>Net Book<br>Value |
|--|------------------------------|-------------------------------------|---------------------------|------------------------------|-------------------------------------|---------------------------|
|  | \$                           | \$                                  | \$                        | \$                           | \$                                  | \$                        |
| Building Improvements                    | 254,470                      | (163,530)                           | 90,940                    | 226,167                      | (156,098)                           | 70,069                    |
| Furniture and Equipment                  | 468,271                      | (366,293)                           | 101,978                   | 425,674                      | (326,414)                           | 99,260                    |
| Information and Communication Technology | 209,822                      | (174,558)                           | 35,264                    | 181,437                      | (159,339)                           | 22,098                    |
| Leased Assets                            | 38,601                       | (14,321)                            | 24,280                    | 59,298                       | (26,426)                            | 32,872                    |
| Library Resources                        | 41,592                       | (28,586)                            | 13,006                    | 74,736                       | (59,255)                            | 15,481                    |
| <b>Balance at 31 December</b>            | <u>1,012,756</u>             | <u>(747,288)</u>                    | <u>265,468</u>            | <u>967,312</u>               | <u>(727,532)</u>                    | <u>239,780</u>            |

## 12. Accounts Payable

|                                       | 2022           | 2022<br>Budget | 2021           |
|---------------------------------------|----------------|----------------|----------------|
|                                       | Actual         | (Unaudited)    | Actual         |
|                                       | \$             | \$             | \$             |
| Creditors                             | 37,023         | 18,496         | 18,496         |
| Accruals                              | 4,635          | 4,500          | 4,500          |
| Employee Entitlements - Salaries      | 138,585        | 133,153        | 133,153        |
| Employee Entitlements - Leave Accrual | 1,908          | 1,297          | 1,297          |
|                                       | <u>182,151</u> | <u>157,446</u> | <u>157,446</u> |
| Payables for Exchange Transactions    | 182,151        | 157,446        | 157,446        |
|                                       | <u>182,151</u> | <u>157,446</u> | <u>157,446</u> |

The carrying value of payables approximates their fair value.



### 13. Revenue Received in Advance

|                          | 2022<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|--------------------------|----------------------|-------------------------------------|----------------------|
| Other Revenue in Advance | 2,001                | -                                   | -                    |
|                          | <u>2,001</u>         | <u>-</u>                            | <u>-</u>             |

### 14. Provision for Cyclical Maintenance

|   | 2022<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|---|----------------------|-------------------------------------|----------------------|
| Provision at the Start of the Year        | 35,437               | 35,437                              | 53,901               |
| Increase to the Provision During the Year | 14,886               | -                                   | 14,886               |
| Use of the Provision During the Year      | (3,025)              | (3,025)                             | (33,350)             |
| Provision at the End of the Year          | <u>47,298</u>        | <u>32,412</u>                       | <u>35,437</u>        |
| Cyclical Maintenance - Current            | 36,917               | 29,533                              | 2,520                |
| Cyclical Maintenance - Non current        | 10,381               | 2,879                               | 32,917               |
|   | <u>47,298</u>        | <u>32,412</u>                       | <u>35,437</u>        |

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan and painting contract, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

### 15. Painting Contract Liability

|                     | 2022<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|---------------------|----------------------|-------------------------------------|----------------------|
| Due within one year | 6,459                | 6,459                               | 14,958               |
| Due after one year  | -                    | -                                   | 3,434                |
|                     | <u>6,459</u>         | <u>6,459</u>                        | <u>18,392</u>        |

In 2021 the Board signed an agreement with Programme Maintenance Services Ltd (the contractor) for an agreed programme of work covering an six year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2021, with regular maintenance in subsequent years. 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:

|  | 2022<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| No Later than One Year                           | 12,450               | 17,775                              | 17,775               |
| Later than One Year and no Later than Five Years | 15,447               | 19,759                              | 19,759               |
| Future Finance Charges                           | (3,117)              | (4,166)                             | (4,166)              |
|  | <u>24,780</u>        | <u>33,368</u>                       | <u>33,368</u>        |
| <b>Represented by:</b>                           |                      |                                     |                      |
| Finance lease liability - Current                | 10,726               | 15,795                              | 15,795               |
| Finance lease liability - Non current            | 14,054               | 17,573                              | 17,573               |
|  | <u>24,780</u>        | <u>33,368</u>                       | <u>33,368</u>        |

## 17. Funds Held in Trust

|  | 2022<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| Funds Held in Trust on Behalf of Third Parties - Current | 2,818                | 182                                 | 182                  |
|  | <u>2,818</u>         | <u>182</u>                          | <u>182</u>           |

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

## 18. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

| 2022                                 | Opening<br>Balances<br>\$ | Receipts<br>from MoE<br>\$ | Payments<br>\$  | Board<br>Contributions<br>\$ | Closing<br>Balances<br>\$ |
|--------------------------------------|---------------------------|----------------------------|-----------------|------------------------------|---------------------------|
| MLE Upgrade 214604                   | (28,665)                  | 45,714                     | (17,049)        | -                            | -                         |
| ABC LS Bathroom Modifications 22-033 | -                         | 20,000                     | (6,843)         | -                            | 13,157                    |
| Totals                               | <u>(28,665)</u>           | <u>65,714</u>              | <u>(23,892)</u> | <u>-</u>                     | <u>13,157</u>             |

### Represented by:

Funds Held on Behalf of the Ministry of Education

13,157

| 2021                       | Opening<br>Balances<br>\$ | Receipts<br>from MoE<br>\$ | Payments<br>\$   | Board<br>Contributions<br>\$ | Closing<br>Balances<br>\$ |
|----------------------------|---------------------------|----------------------------|------------------|------------------------------|---------------------------|
| MLE Upgrade                | (35,210)                  | 365,000                    | (358,455)        | -                            | (28,665)                  |
| SIP A, C Classroom Upgrade | (35,760)                  | 40,574                     | (4,814)          | -                            | -                         |
| Learning Support Fencing   | 158,735                   | 4,592                      | (163,327)        | -                            | -                         |
| Totals                     | <u>87,765</u>             | <u>410,166</u>             | <u>(526,596)</u> | <u>-</u>                     | <u>(28,665)</u>           |

### Represented by:

Funds Receivable from the Ministry of Education

(28,665)

## 19. Related Party Transactions

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

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

## 20. Remuneration

### Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, and Deputy and Associate Principals and Syndicate leaders.

|   | 2022<br>Actual<br>\$ | 2021<br>Actual<br>\$ |
|---|----------------------|----------------------|
| <i>Board Members</i>                        |                      |                      |
| Remuneration                                | 3,630                | 3,645                |
| <i>Leadership Team</i>                      |                      |                      |
| Remuneration                                | 524,483              | 533,479              |
| Full-time equivalent members                | 5.00                 | 5.00                 |
| Total key management personnel remuneration | 528,113              | 537,124              |

There are five members of the Board excluding the Principal. The Board had held ten full meetings of the Board in the year. The Board also has Finance and Property members that meet monthly and quarterly respectively. 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

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

|  | 2022<br>Actual<br>\$000 | 2021<br>Actual<br>\$000 |
|--|-------------------------|-------------------------|
| Salaries and Other Short-term Employee Benefits: |                         |                         |
| Salary and Other Payments                        | 140-150                 | 130-140                 |
| Benefits and Other Emoluments                    | 4-5                     | 4-5                     |
| Termination Benefits                             | 0 - 0                   | 0 - 0                   |

### Other Employees

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

| Remuneration<br>\$000 | 2022<br>FTE Number | 2021<br>FTE Number |
|-----------------------|--------------------|--------------------|
| 100 -110              | 1.00               | 1.00               |
|                       | 1.00               | 1.00               |

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

## 21. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, 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<br>Actual<br>\$ | 2021<br>Actual<br>\$ |
|------------------|----------------------|----------------------|
| Total            | -                    | -                    |
| Number of People | -                    | -                    |

## 22. Contingencies

There are no contingent liabilities 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.

### Additional funding wash up payment

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 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.

## 23. Commitments

### (a) Capital Commitments

As at 31 December 2022 the Board has entered into the following contract agreements for capital works.

(a) \$21,661 contract for Learning Support Bathroom Modifications to be completed in 2023, which will be fully funded by the Ministry of Education. \$20,000 has been received of which \$6,843 has been spent on the project to date.

(Capital commitments in relation to Ministry projects at 31 December 2021: nil)

### (b) Operating Commitments

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

(Operating commitments at 31 December 2021: nil)

## 24. Financial Instruments

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

### Financial assets measured at amortised cost

|   | 2022<br>Actual<br>\$ | 2022<br>Budget<br>(Unaudited)<br>\$ | 2021<br>Actual<br>\$ |
|---|----------------------|-------------------------------------|----------------------|
| Cash and Cash Equivalents                         | 160,028              | 45,348                              | 72,472               |
| Receivables                                       | 141,644              | 132,683                             | 132,683              |
| Investments - Term Deposits                       | 256,430              | 177,771                             | 177,771              |
| Total Financial assets measured at amortised cost | <u>558,102</u>       | <u>355,802</u>                      | <u>382,926</u>       |

### Financial liabilities measured at amortised cost

|  |                |                |                |
|--|----------------|----------------|----------------|
| Payables   | 182,151        | 157,446        | 157,446        |
| Finance Leases   | 24,780         | 33,368         | 33,368         |
| Painting Contract Liability                            | 6,459          | 6,459          | 18,392         |
| Total Financial liabilities measured at amortised Cost | <u>213,390</u> | <u>197,273</u> | <u>209,206</u> |

## 25. Events After Balance Date

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

## 26. Comparatives

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

# Statement of Variance Reporting



|                       |  |                                       |  |
|-----------------------|--|---------------------------------------|--|
| <b>School Name:</b>   | Salford School   | <b>School Number:</b>                 | 4014                                   |
| <b>Strategic Aim:</b> | All akonga at Salford School will be actively engaged in learning from a full and balanced curriculum that is relevant, connected, collaborative, responsive, innovative, inclusive and supported by the New Zealand Curriculum. |                                       |  |
| <b>Annual Aim:</b>    | Ensure all akonga gain sound foundational skills, including language and literacy.   |                                       |  |
| <b>Target:</b>        | To have the identified boys in Year 3 and 4, and Māori students at risk move a sub level shift towards the expected level.   |                                       |  |
| <b>Baseline Data:</b> | 2021 mid and end of year OTJ data for children working towards expectation or requiring support:   |                                       |  |
|                       | <b>Year 2:</b> 21% mid - 15% end   | <b>Boys Year 2:</b> 28% mid – 21% end | <b>Māori Year 2:</b> 25% mid – 10% end |
|                       | <b>Year 3:</b> 15% mid - 32% end   | <b>Boys Year 3:</b> 19% mid – 37% end | <b>Māori Year 3:</b> 33% mid – 67% end |

| <b>Actions</b><br><i>What did we do?</i>   | <b>Outcomes</b><br><i>What happened?</i>  | <b>Reasons for the variance</b><br><i>Why did it happen?</i>   | <b>Evaluation</b><br><i>Where to next?</i>  |
|--|---|--|---|
| <p>Development of a Salford School Oral Language programme for children in the Junior Syndicate.</p> <p>Junior Syndicate Writing workshops introduced for writing 2 days per week.</p> <p>Further moderation within and between syndicates looking at varied levels of children's writing.</p> <p>Learning Support teacher working in Year 3 and 4 classrooms during writing time.</p> | <p>2022 Mid and end of year data from OTJs:</p> <p><b>Year 3:</b> 33% mid – 42% end<br/> <b>Boys Year 3:</b> 46% mid – 59% end<br/> <b>Māori Year 3:</b> 20% mid – 30% end</p> <p><b>Year 4:</b> 31% mid – 41% end<br/> <b>Boys Year 4:</b> 35% mid – 37% end<br/> <b>Māori Year 4:</b> 75% mid – 100% end</p> <p>This data is also looking at Curriculum levels. Expectations for writing between Years 3 and 4 increase quite extensively. While shift is not seen across levels there is shift in sublevels and with individual goals that were set.</p> <p>The data between the two years (2021 and 2022) is quite different due to the moderation taking place to ensure consistency in expectation eg what a level one piece of writing looks like regardless of whether the child is in a Year 6 class or a Year 2 class. Moderation and professional discussion has had a big impact on understanding and consistency in assessment.</p> <p>Looking at the 92 targeted children from this Year 3/4 (2022) cohort, 42 children made progress of at least one sublevel in their writing over the 14 weeks of focus. The rest of the</p> | <p>RTLB service involved in setting this up with training for teachers and teacher aides so that everyone has understanding of the programme and consistency is happening across the syndicate.</p> <p>Children being able to work with peers of a similar level gave them the confidence or challenge as well as teacher time to get the support and extension they needed for their learning growth.</p> <p>Discussion regarding marking criteria, clarity around terminology and identification of appropriate evidence to support judgements about writing when marking becoming more consistent and understood amongst all teachers.</p> <p>The syndicate planned and mapped out the learning, expectations, goals and programme so that everyone was doing the same thing, the same way during their writing time. The additional teacher modelled writing and worked with groups. Children had two teachers in the class during writing time every day with clear individual goals and expectations. Writing groups were also taken during the writing time with both teachers working with different groups at different times ensuring all children</p> | <p>New staff to the syndicate will need to have professional development in this programme. Data for the programme needs to be gathered and analysed for evidence of success.</p> <p>Plan for this strategy again in 2023. Maintaining it as a supportive strategy for the wide range of learner abilities in the junior syndicate.</p> <p>Continued regular writing moderation within and across syndicates to maintain understanding and consistency in assessing writing throughout the school.</p> <p>Learning support teacher continuing to work in classrooms for the beginning of the next year (following the children to their new classrooms) in order to maintain the standards the children were achieving at the end of the year. This also allows the teachers to see the level the children were able to achieve and ensure there is no slipping back and expectations and standards are maintained.</p> |

|   |   |  |  |
|---|---|--|--|
| <p>Additional teacher employed to support junior classes in final term of the year.</p> | <p>students maintained their level with no one dropping.</p> <p>Points to note:</p> <ul style="list-style-type: none"> <li>□ Another disruptive year of Covid affecting attendance, staffing and consistency</li> <li>□ These statistics include all Year 3/4 (2022 students) despite medical or academic diagnoses, learning and processing needs and students who were new to the school with extremely low levels of achievement. This cohort is high in neuro-diverse learners compared to others in the school.</li> </ul> | <p>were seen more frequently to grow their learning.</p> <p>The additional teacher worked with groups of children to support with beginning school learning and early writing including alphabet work. This allowed all of the teachers to have smaller groups in their classrooms providing more individualised instruction for each child addressing their direct needs.</p> | <p>This was beneficial to all of the children involved however was only possible due to the staffing situation at that time. For this to be able to happen again would rely on staffing and funding.</p> |
|---|---|--|--|

**Planning for next year:**

Learning support teacher to follow the targeted cohort group through to their next year levels (Year 2 and 3 2021, Year 3 and 4 2022 and Year 4 and 5 2023) for the beginning of the year.

Maintain smaller class sizes as much as possible for teachers to be able to give extra time to learners in class time.

Junior syndicate to use writing workshops again to target individual growth and progress more consistently starting at each students level

Oral language programme to be reintroduced and taught more widely with data gathered pre and post programme

Review of Salford School writing goals / expectations for tracking and monitoring progress within levels and in line with the New Zealand curriculum refresh

Literacy Leaders Group set up with two staff working as part of this professional group exploring, sharing and developing best practice and sharing it with staff

Continued tracking of this cohort throughout their journey at Salford School to identify best practice for success in writing identifying the differences in teaching practice to the impact made.

## **SALFORD SCHOOL**

### **KIWISPORT – 2022**

All Students at Salford School participated in organised sport during 2022 in a variety of forms i.e. Schools ILT Swimming Programme, Primary Schools Athletics, Primary Schools Cross Country, Interschool Tri-Nations sport, Hockey programme, Cricket programme, Jump Jam, Gym fest, classroom programmes, and visiting coaches.

Visiting sports providers have included, basketball, netball, cricket, hockey.

Sports students have entered during 2022:

- Phoenix Zone and Southland Athletics
- Phoenix Zone and Southland X Country
- Futsal / Summer Football
- Cricket – Girls Smash, Smash Play
- Touch / Touch Tag
- Swimming
- Netball – Future Ferns Programme – 6 aside
- Netball – 7 aside tournament
- Table Tennis
- Whack n Run
- Miniball
- Golf
- Hockey
- Inter-schools Tri-Schools Tournament
- Participating in rugby, netball and soccer.

**In 2022** the school received Kiwi sport funding **of \$ 4,117.00**

The funding was spent on:

|  |                 |
|--|-----------------|
| Sports activities representing school                                    | 260.00          |
| Transport to Athletics venues and marking for field for Athletics events | 2053.00         |
| PE Consumables and Programmes  | 30.00           |
| Replacement sports equipment for classroom/student use                   | 2734.02         |
| <b>Total expenditure</b>   | <b>5,077.00</b> |



## Compliance with Education and Training Act 2020 requirements to be a good employer for the year ending 31 December 2022

The following questions address key aspects of compliance with a good employer policy:

| <b>Reporting on the principles of being a Good Employer</b>   |   |
|---|---|
| How have you met your obligations to provide good and safe working conditions?  | <p>Health and safety team walk-arounds.</p> <p>Communication book for safety concerns to be addressed by the caretaker</p> <p>Systems and procedures for complaints and open communication for concerns</p> <p>Staff created Professional Expectations Document for expectations of each other</p> <p>Reasonable requests for specialised equipment to meet staff physical wellbeing needs are responded to and catered for.</p>  |
| <p>What is in your equal employment opportunities programme?</p> <p>How have you been fulfilling this programme?</p>  | N/A   |
| How do you practise impartial selection of suitably qualified persons for appointment?  | <p>Staff are employed for their skill, expertise and knowledge that they bring to the school or areas where a specific need is identified in the school.</p> <p>Positions are advertised with a panel of appropriate staff involved in the process for shortlisting and interviews.</p>   |
| <p>How are you recognising,</p> <ul style="list-style-type: none"> <li>- The aims and aspirations of Maori,</li> <li>- The employment requirements of Maori, and</li> <li>- Greater involvement of Maori in the Education service?</li> </ul> | <p>We have a Board member who has been co-opted onto the Board to advise and support with Te Ao Māori on the Board and in the school. Advice and guidance is sought from this person. We have a whānau support person who also works with the kaiako for Kapahaka. Advice and guidance are also sought from this person.</p> <p>Unfortunately, we do not currently have a staff member with strength in Te Ao Māori to share, support and develop staff and akonga.</p>   |
| How have you enhanced the abilities of individual employees?  | <p>Staff make requests for tools that will support them in their role in the school environment.</p> <p>Professional learning is available to all staff with them having the independence to identify which opportunities suit their purpose of development or support in practice.</p> <p>Opportunities for leadership and responsibility within the school are identified by staff with expectations also part of staff discussion and collaboration.</p> <p>Staff are encouraged to identify and take on new initiatives that support and provide improvement in the school or greater opportunities for learners. Support for these is provided as is practical and required.</p> |
| How are you recognising the employment requirements of women?   | <p>We are an all-female staff - the caretaker is the only male staff member.</p> <p>The Board supports staff returning from parental leave in working 0.8FTTE for up to two years.</p>  |
| How are you recognising the employment requirements of persons with disabilities?   | All reasonable requests for support, modifications, equipment etc in order for the person to effectively complete the work tasks expected of them as per their contract are supplied or allowed.  |

Good employer policies should include provisions for an Equal Employment Opportunities (EEO) programme/policy.

The Ministry of Education monitors these policies:

| Reporting on Equal Employment Opportunities (EEO) Programme/Policy   | YES | NO |
|--|-----|----|
| Do you operate an EEO programme/ <u>policy</u> ?   | YES |    |
| Has this <u>policy</u> or programme been made available to staff?  | YES |    |
| Does your EEO programme/ <u>policy</u> include training to raise awareness of issues which may impact EEO?                               |     | No |
| Has your EEO programme/ <u>policy</u> appointed someone to coordinate compliance with its requirements?                                  | YES |    |
| Does your EEO programme/ <u>policy</u> provide for regular reporting on compliance with the policy and/or achievements under the policy? | YES |    |
| Does your EEO programme/ <u>policy</u> set priorities and objectives?  |     | No |

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF SALFORD SCHOOL'S FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Salford School (the School). The Auditor-General has appointed me, Anna Campbell, using the staff and resources of Crowe New Zealand Audit Partnership, 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 3 to 18, 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 13 February 2024. 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.

*Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd.*

*Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.*

© 2024 Findex (Aust) Pty Ltd

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 arise 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 19 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.



Anna Campbell  
Crowe New Zealand Audit Partnership  
On behalf of the Auditor-General  
Invercargill, New Zealand