

PAUATAHANUI SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021



Principal:	Caine Webster
School Address:	12 Paekakaiki Hill Road, Pauatahanui, Porirua
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Ministry Number:	2953
Accountant / Service Provider:	Accounting For Schools Ltd

PAUATAHANUI SCHOOL

Annual Report - For the year ended 31 December 2021

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PAUATAHANUI SCHOOL

Statement of Responsibility

For the year ended 31 December 2021

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

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

Libby Tuile.

Full Name of Presiding Member

J. Tuile

Signature of Presiding Member

31.5.22 .

Date:

Caine Webster

Full Name of Principal

Caine Webster

Signature of Principal

31/5/2022

Date:

PAUATAHANUI SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Revenue				
Government Grants	2	1,776,373	1,706,890	1,730,837
Locally Raised Funds	3	93,564	172,375	203,812
Interest Income		1,913	3,000	6,119
		<u>1,871,850</u>	<u>1,882,265</u>	<u>1,940,768</u>
Expenses				
Locally Raised Funds	3	39,662	86,700	75,089
Learning Resources	4	1,363,160	1,294,800	1,280,867
Administration	5	114,139	122,600	109,860
Finance		235	1,500	1,174
Property	6	325,976	351,391	396,102
Depreciation	11	35,961	30,000	33,874
Loss on Disposal of Property, Plant and Equipment		-	-	8,349
		<u>1,879,133</u>	<u>1,886,991</u>	<u>1,905,315</u>
Net Surplus / (Deficit) for the year		(7,283)	(4,726)	35,453
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(7,283)</u>	<u>(4,726)</u>	<u>35,453</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.



PAUATAHANUI SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2021

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January	557,095	557,095	521,642
Total comprehensive revenue and expense for the year	(7,285)	(4,726)	35,453
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	3,634	-	-
Equity at 31 December	553,444	552,369	557,095
Retained Earnings	553,444	552,369	557,095
Equity at 31 December	553,444	552,369	557,095

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.



PAUATAHANUI SCHOOL

Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	180,078	250,669	257,548
Accounts Receivable	8	92,846	85,000	85,005
Funds held for Capital Works Projects	16	41,017	-	-
GST Receivable		16,103	4,500	4,851
Inventories	9	1,818	1,200	1,281
Investments	10	173,075	200,000	171,775
Prepayments		3,983	-	-
		508,920	541,369	520,460
Current Liabilities				
Accounts Payable	12	135,989	105,000	104,905
Finance Lease Liability	15	5,230	4,000	4,120
Funds held for Capital Works Projects	16	-	-	5,442
Revenue Received in Advance	13	3,329	-	729
Provision for Cyclical Maintenance	14	25,125	50,000	47,077
		169,673	159,000	162,273
Working Capital Surplus/(Deficit)		339,247	382,369	358,187
Non-current Assets				
Property, Plant and Equipment	11	236,597	196,500	226,462
		236,597	196,500	226,462
Non-current Liabilities				
Finance Lease Liability	15	4,900	2,500	4,221
Provision for Cyclical Maintenance	14	17,500	24,000	23,333
		22,400	26,500	27,554
Net Assets		553,444	552,369	557,095
Equity		553,444	552,369	557,095

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



PAUATAHANUI SCHOOL

Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		402,299	356,890	391,492
Locally Raised Funds		96,362	172,900	200,070
Goods and Services Tax (net)		(11,246)	354	(21,894)
Payments to Employees		(229,704)	(216,106)	(270,882)
Payments to Suppliers		(248,471)	(287,145)	(241,734)
Interest Paid		(235)	(1,500)	(1,174)
Interest Received		1,959	3,276	6,779
Net cash from / (to) the Operating Activities		10,964	28,669	62,657
Cash flows from Investing Activities				
Proceeds from Sale of Property, Plant & Equipment (and intangibles)		-	(30,000)	-
Purchase of Property, Plant & Equipment (and intangibles)		(39,048)	29,960	(14,521)
Purchase of Investments		(1,300)	-	80,318
Proceeds from Sale of Investments		-	(28,225)	-
Net cash from / (to) the Investing Activities		(40,348)	(28,265)	65,797
Cash flows from Financing Activities				
Finance Lease Payments		(5,261)	(1,841)	(6,841)
Funds administered on behalf of Third Parties		(46,459)	(5,442)	(130,702)
Furniture and Equipment Grant		3,634	-	-
Net cash from Financing Activities		(48,086)	(7,283)	(137,543)
Net increase/(decrease) in cash and cash equivalents		(77,470)	(6,879)	(9,089)
Cash and cash equivalents at the beginning of the year	7	257,548	257,548	266,637
Cash and cash equivalents at the end of the year	7	180,078	250,669	257,548

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 Cash Flow Statement should be read in conjunction with the accompanying notes which form part of these financial statements.



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Pauatahanui 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 14.

PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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.



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) 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.

j) 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.



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

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:

Furniture and equipment	15 years
Leased assets held under a Finance Lease	3 - 5 years
Leasehold Improvements	50 years
Library resources	12.5% Diminishing value

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

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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.

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve 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

n) 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.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

o) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

p) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

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

The School's financial liabilities comprise accounts payable, borrowings and finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

q) 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.

r) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

t) Services received in-kind

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



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

2. Government Grants

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	328,380	336,390	333,548
Other Government Grants	2,024	3,500	3,533
Other MoE Grants	71,895	17,000	54,411
Teachers' Salaries Grants	1,154,522	1,100,000	1,041,408
Use of Land and Buildings Grants	219,552	250,000	297,937
	<u>1,776,373</u>	<u>1,706,890</u>	<u>1,730,837</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$6,305 for the year ended 31 December 2021 (2020: \$5,561).

3. Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Fees for Extra Curricular Activities	30,838	45,200	26,201
Donations & Bequests	26,251	28,500	25,406
Fundraising & Community Grants	27,085	90,675	144,197
Trading	9,390	8,000	8,008
	<u>93,564</u>	<u>172,375</u>	<u>203,812</u>
Expenses			
Extra Curricular Activities Costs	28,798	50,700	25,792
Fundraising and Community Grant Costs	7,594	33,000	46,764
Trading	3,270	3,000	2,533
	<u>39,662</u>	<u>86,700</u>	<u>75,089</u>
<i>Surplus for the year Locally raised funds</i>	<u>53,902</u>	<u>85,675</u>	<u>128,723</u>



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

4. Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	34,629	47,878	33,262
Employee Benefits - Salaries	1,293,562	1,215,672	1,230,094
Information and Communication Technology	14,701	11,500	11,343
Library Resources	370	100	387
Staff Development	19,898	19,650	5,781
	<u>1,363,160</u>	<u>1,294,800</u>	<u>1,280,867</u>

5. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,776	5,000	5,647
Board Expenses	8,847	14,050	7,835
Board Fees	3,065	3,600	2,175
Communication	3,767	4,700	4,644
Consumables	5,554	8,200	5,982
Employee Benefits - Salaries	70,326	64,800	62,727
Insurance	2,137	2,000	1,899
Other	9,352	15,250	14,847
Service Providers, Contractors and Consultancy	4,315	5,000	4,104
	<u>114,139</u>	<u>122,600</u>	<u>109,860</u>



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

6. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	11,320	11,800	12,033
Consultancy and Contract Services	22,881	21,700	22,249
Cyclical Maintenance Provision	1,155	11,208	5,729
Employee Benefits - Salaries	23,215	25,000	22,650
Grounds	9,568	5,500	6,820
Heat, Light and Water	14,925	13,200	12,221
Repairs and Maintenance	21,995	11,783	14,634
Security	1,365	1,200	1,829
Use of Land and Buildings	219,552	250,000	297,937
	325,976	351,391	396,102

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	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	-	50	41
Bank Current Account	40,191	98,637	118,155
Bank Call Account	52,706	95,000	52,670
Short-term Bank Deposits	87,181	56,982	86,682
Net cash and cash equivalents for Cash Flow Statement	180,078	250,669	257,548

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

Of the \$180,078 Cash and Cash Equivalents, \$2,400 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2022 on Crown owned school buildings under the School's Five Year Property Plan.



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	1,056	-	1,254
Interest Receivable	230	-	276
Teacher Salaries Grant Receivable	91,560	85,000	83,475
	<u>92,846</u>	<u>85,000</u>	<u>85,005</u>
Receivables from Exchange Transactions	1,286	-	1,530
Receivables from Non-Exchange Transactions	91,560	85,000	83,475
	<u>92,846</u>	<u>85,000</u>	<u>85,005</u>

9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
School Uniforms	1,818	1,200	1,281

10. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	173,075	200,000	171,775



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Furniture and Equipment	143,569	35,804	-	-	(27,922)	151,451
Leased Assets	7,763	7,050	-	-	(5,337)	9,476
Leasehold Improvements	68,936	2,819	-	-	(1,924)	69,831
Library Resources	6,194	423	-	-	(778)	5,839
Balance at 31 December 2021	226,462	46,096	-	-	(35,961)	236,597

The net carrying value of equipment held under a finance lease is \$9,476 (2020: \$7,763).

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Furniture and Equipment	371,870	(220,419)	151,451	336,066	(192,497)	143,569
Leased Assets	46,944	(37,468)	9,476	39,894	(32,131)	7,763
Leasehold Improvements	102,031	(32,200)	69,831	99,212	(30,276)	68,936
Library Resources	24,997	(19,158)	5,839	24,573	(18,379)	6,194
Balance at 31 December	545,842	(309,245)	236,597	499,745	(273,283)	226,462

12. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	25,342	15,000	6,349
Accruals	5,576	5,000	4,447
Employee Entitlements - Salaries	93,507	85,000	83,475
Employee Entitlements - Leave Accrual	11,564	-	10,634
	135,989	105,000	104,905
Payables for Exchange Transactions	135,989	105,000	104,905
	135,989	105,000	104,905

The carrying value of payables approximates their fair value.



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

13. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance	2,000	-	-
Other Revenue Received in Advance	1,329	-	729
	3,329	-	729

14. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	70,410	70,410	64,681
Increase to the Provision During the Year	1,155	11,208	5,729
Use of the Provision During the Year	(28,940)	(7,618)	-
Provision at the End of the Year	42,625	74,000	70,410
Cyclical Maintenance - Current	25,125	50,000	47,077
Cyclical Maintenance - Term	17,500	24,000	23,333
	42,625	74,000	70,410

15. Finance Lease Liability

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	5,908	4,000	4,120
Later than One Year and no Later than Five Years	5,241	2,500	4,221
Future Finance Charges	(1,019)	-	-
	10,130	6,500	8,341
Represented by			
Finance lease liability - Current	5,230	4,000	4,120
Finance lease liability - Term	4,900	2,500	4,221
	10,130	6,500	8,341



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M) \$	Closing Balances \$
Outdoor Playbased Learning	(6,313)	-	-	6,313	-
Rectify Stormwater Block A	18,781	-	(16,381)	-	2,400
Universal Bathroom refurbish	(8,000)	308,750	(322,535)	-	(21,785)
Learning Support Modifications	974	750	(1,724)	-	-
Admin Block Upgrade	-	13,167	(31,962)	-	(18,795)
Learning Centre Deck Remediation	-	47,974	(50,811)	-	(2,837)
Totals	5,442	370,641	(423,413)	6,313	(41,017)

Represented by:

Funds Held on Behalf of the Ministry of Education

2,400

Funds Due from the Ministry of Education

(43,417)

(41,017)

2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M) \$	Closing Balances \$
Blocks A and I Replace Roofing	-	111,680	(111,680)	-	-
Outdoor Playbased Learning	-	-	(6,313)	-	(6,313)
Rectify Stormwater Block A	-	18,781	-	-	18,781
Universal Bathroom refurbish	-	-	(8,000)	-	(8,000)
Block B & H - ILE Refurbishment	122,270	253,650	(380,995)	5,075	-
Learning Support Modifications	13,874	-	(12,900)	-	974
Totals	136,144	384,111	(519,888)	5,075	5,442



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

17. Related Party Transactions

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

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

18. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	3,065	2,175
<i>Leadership Team</i>		
Remuneration	216,718	244,844
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	219,783	247,019

There are six members of the Board excluding the Principal. The Board had held eight 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 - A

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	30 - 40	130 - 140
Benefits and Other Emoluments	1 - 2	4 - 5



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

Principal - B

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	60 - 70	-
Benefits and Other Emoluments	1 - 2	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100 - 110	-	1
110 - 120	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 trustees, committee member, 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:

	2021 Actual	2020 Actual
Total	-	-
Number of People	-	-

20. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

21. Commitments

(a) Capital Commitments

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

(i) for \$21,781 Rectify Storm Water project, \$18,781 has been received of which \$16,381 has been spent to date; and

(ii) for \$329,415 Universal Bathroom Refurbishment Contract, \$308,750 has been received of which \$330,535 has been spent to date; and

(iii) for \$53,969 Learning Centre deck remediation Contract, \$47,974 has been received of which \$50,811 has been spent to date; and

(iv) for \$13,167 Admin Block Upgrade project, \$13,167 has been received and \$31,962 has been spent at balance date. (Capital commitments at 31 December 2020: \$82,606).

(b) Operating Commitments

As at 31 December 2021 the Board has no operating commitments.

22. Financial Instruments

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Financial Assets Measured at Amortised Cost			
Cash and Cash Equivalents	180,078	250,669	257,548
Receivables	92,846	85,000	85,005
Investments - Term Deposits	173,075	200,000	171,775
Total Financial Assets Measured at Amortised Cost	445,999	535,669	514,328
Financial liabilities measured at amortised cost			
Payables	135,989	105,000	104,905
Finance Leases	10,130	6,500	8,341
Total Financial Liabilities Measured at Amortised Cost	146,119	111,500	113,246

23. Events After Balance Date

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



PAUATAHANUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

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 on going implications

Impact of Covid-19

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

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

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

Impact on operations

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

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

Reduction in locally raised funds

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



PAUATAHANUI SCHOOL

Members of the Board

For the year ended 31 December 2021

Name	Position	How position on Board gained	Occupation	Term expired / expires
Brett Hall	Presiding Member	Elected June 2016, re-elected June 2019	Civil Engineer	September 2022
Caine Webster	Principal	Appointed	Principal	
Bradley Roberts	Principal	Appointed	Principal	March 2021
Kate Excell	Acting Principal	Appointed April 2021	Acting Principal	July 2021
Jo-Ann White	Parent Rep - Property	Elected June 2016, re-elected June 2019	Project Manager	September 2022
Kate Scott	Parent Rep - Finance	Elected June 2019	Recruitment Manager	September 2022
Simon Jones	Parent Rep - Health & Safety	Elected June 2019	Engineer	September 2022
Libby Tuite	Parent Rep - Cultural Competence	Elected June 2019	Fraud & Integrity Manager	September 2022
Maria Breuss-McBride	Staff Rep	Elected June 2019	Teacher	September 2022

PAUATAHANUI SCHOOL

Kiwisport Funding

For the year ended 31 December 2021

Kiwisport is a Government funding initiative to support student participation in organised sport.

In 2021, the school received total Kiwisport funding of \$3,284 excluding GST (2020: \$3,012). The funding was spent on activities that will develop students' skill in a range of sporting codes.

In 2021 the funding was used for swimming and our water safety programme.

It is anticipated that in 2022 the funding will be used to provide further development for staff and students in a range of team sporting codes.

