

# WAIKOWHAI INTERMEDIATE SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

**Ministry Number:** 1548

**Principal:** David King

**School Address:** 650 Richardson Road, Auckland, 1041

**School Postal Address:** 650 Richardson Road, Auckland, 1041

**School Phone:** 09 -621 0460

**School Email:** [reception@wai-int.school.nz](mailto:reception@wai-int.school.nz)

#### Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Ross Phillips	Chairperson	Elected	Oct-25
David King	Principal	ex Officio	
Karen van Dolleweerd	Parent Representative	Elected	Oct-25
Kylie Pihema	Parent Representative	Elected	Oct-25
Elaine Webb	Parent Representative	Elected	Oct-25
Hayden Baxter	Parent Representative	Elected	Oct-25
Thanh Hoang	Staff Representative	Elected	Oct-25
Donna Enticott	Parent Representative	Elected	Oct-25
Sharyn Hunt	Parent Representative	Elected	Oct-25
Derrick Paull	Parent Representative	Elected	Oct-25

**Accountant / Service Provider:** School Accounts Limited

# WAIKOWHAI INTERMEDIATE SCHOOL

Annual Report - For the year ended 31 December 2022

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# Waikowhai Intermediate 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.

*Rob Phillips*

Full Name of Presiding Member

*R Phillips*

Signature of Presiding Member

*30/05/23*

Date:

*David King*

Full Name of Principal

*DK*

Signature of Principal

*29/5/23*

Date:

# Waikowhai Intermediate School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>				
Government Grants	2	4,297,724	4,602,241	4,243,119
Locally Raised Funds	3	212,654	192,816	130,366
Interest Income		3,818	1,000	1,000
Other Revenue		5,429	6,500	7,483
<b>Total Revenue</b>		<b>4,519,625</b>	<b>4,802,557</b>	<b>4,381,968</b>
<b>Expenses</b>				
Locally Raised Funds	3	156,469	127,400	71,710
Learning Resources	4	2,847,443	2,849,552	2,778,470
Administration	5	241,829	201,850	209,882
Finance		3,302	6,000	1,011
Property	6	1,271,429	1,655,000	1,198,540
Loss on Disposal of Property, Plant and Equipment		5,490	-	3,942
		<b>4,525,962</b>	<b>4,839,802</b>	<b>4,263,555</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>(6,337)</b>	<b>(37,245)</b>	<b>118,413</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(6,337)</b>	<b>(37,245)</b>	<b>118,413</b>

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

# Waikowhai Intermediate School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Equity at 1 January</b>		598,930	599,031	480,517
Total comprehensive revenue and expense for the year		(6,337)	(37,245)	118,413
Contributions from the Ministry of Education		-	-	-
Contribution - Furniture and Equipment Grant		-	-	-
<b>Equity at 31 December</b>		592,593	561,786	598,930
Accumulated comprehensive revenue and expense		592,593	561,786	598,930
Reserves		-	-	-
<b>Equity at 31 December</b>		592,593	561,786	598,930

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.

# Waikowhai Intermediate School

## Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	160,471	328,811	163,930
Accounts Receivable	8	220,318	262,200	215,754
GST Receivable		19,944	12,000	18,399
Prepayments		16,971	15,001	14,593
Inventories	9	982	990	982
Investments	10	105,736	75,000	74,359
Funds Receivable for Capital Works Projects	16	192,691	-	225,243
		717,113	694,002	713,260
<b>Current Liabilities</b>				
GST Payable		-	-	-
Accounts Payable	12	306,752	287,600	277,364
Revenue Received in Advance	13	1,079	18,000	17,761
Provision for Cyclical Maintenance	14	25,264	30,000	25,074
Finance Lease Liability	15	18,958	25,000	20,668
Funds held for Capital Works Projects	16	30,087	-	51,260
Funds for Resource Teachers of Learning & Behaviour services		-	-	-
		382,140	360,600	392,127
<b>Working Capital Surplus/(Deficit)</b>		334,973	333,401	321,133
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	331,419	308,384	351,234
		331,419	308,384	351,234
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	66,127	55,000	51,958
Finance Lease Liability	15	7,672	25,000	21,479
		73,799	80,000	73,437
<b>Net Assets</b>		592,593	561,786	598,930
<b>Equity</b>		592,593	561,786	598,930

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

# Waikowhai Intermediate School

## Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,092,978	1,002,241	1,033,060
Locally Raised Funds		217,743	145,386	132,876
Goods and Services Tax (net)		(1,545)	6,399	7,340
Payments to Employees		(655,448)	(547,906)	(499,682)
Payments to Suppliers		(537,857)	(553,888)	(537,407)
Interest Paid		(3,302)	(6,000)	(1,011)
Interest Received		3,297	955	1,109
Net cash from/(to) Operating Activities		115,866	47,187	136,285
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(5,490)	-	(3,942)
Purchase of Property Plant & Equipment (and Intangibles)		(71,354)	(63,500)	(67,140)
Purchase of Investments		(31,376)	(641)	(20,673)
Net cash from/(to) Investing Activities		(108,220)	(64,141)	(91,755)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(22,483)	7,853	(20,347)
Funds Administered on Behalf of Third Parties		11,377	173,982	(198,327)
Net cash from/(to) Financing Activities		(11,106)	181,835	(218,674)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(3,460)</b>	<b>164,881</b>	<b>(174,144)</b>
Cash and cash equivalents at the beginning of the year	7	163,930	163,930	338,074
<b>Cash and cash equivalents at the end of the year</b>	7	<b>160,471</b>	<b>328,811</b>	<b>163,930</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.

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

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

##### b) Basis of Preparation

###### *Reporting Period*

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

###### *Basis of Preparation*

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

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

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

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

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

###### *Measurement Base*

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

###### *Presentation Currency*

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

###### *Specific Accounting Policies*

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

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

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

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

###### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

###### *Useful lives of property, plant and equipment*

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

###### *Critical Judgements in applying accounting policies*

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



# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### *Classification of leases*

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15.

#### *Recognition of grants*

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

#### **c) Revenue Recognition**

##### **Government Grants**

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

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

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

Other Ministry Grants for directly funded programs are recorded as revenue when the School has the rights to the funding in the period they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

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

##### **Other Grants where conditions exist**

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

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

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

##### **Interest Revenue**

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

#### **d) 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.

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

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

**h) Inventories**

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

**i) 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 (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

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

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

**Finance Leases**

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

**Depreciation**

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

The estimated useful lives of the assets are:

Board Owned Buildings	10–50 years
Furniture and equipment	5-15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

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

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

##### *Non cash generating assets*

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

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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

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

#### **l) Accounts Payable**

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

#### **m) Employee Entitlements**

##### *Short-term employee entitlements*

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

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

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

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

Remeasurements are recognised in surplus or deficit in the period in which they arise.

#### **n) Revenue Received in Advance**

Revenue received in advance relates to fees received from students for payments towards 2023 activities 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.

#### **o) Funds held for Capital works**

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

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

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### **p) Provision for Cyclical Maintenance**

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

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

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

#### **q) Financial Instruments**

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

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. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

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 surplus or deficit.

#### **r) Goods and Services Tax (GST)**

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

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

Commitments and contingencies are disclosed exclusive of GST.

#### **s) Budget Figures**

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

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

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

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 2. Government Grants

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Government Grants - Ministry of Education	1,041,647	988,241	1,016,569
Teachers' Salaries Grants	2,180,239	2,200,000	2,214,350
Use of Land and Buildings Grants	1,024,507	1,400,000	978,859
Other Government Grants	51,331	14,000	33,341
	<u>4,297,724</u>	<u>4,602,241</u>	<u>4,243,119</u>

The school has opted in to the donations scheme for this year. Total amount received was \$60,750.

#### 3. Locally Raised Funds

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
<b>Revenue</b>			
Donations & Bequests	948	1,000	1,847
Fees for Extra Curricular Activities	196,588	177,316	112,142
Trading	15,118	14,500	16,377
Other Revenue	-	-	-
	<u>212,654</u>	<u>192,816</u>	<u>130,366</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	142,252	112,900	56,797
Trading	13,927	14,000	13,745
Other Locally Raised Funds Expenditure	290	500	1,000
International Student - Other Expenses	-	-	168
	<u>156,469</u>	<u>127,400</u>	<u>71,710</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>56,185</u>	<u>65,416</u>	<u>58,656</u>

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	106,635	113,652	96,892
Equipment Repairs	5,268	8,000	9,680
Information and Communication Technology	1,577	2,500	-
Library Resources	2,793	1,500	566
Employee Benefits - Salaries	2,620,235	2,598,000	2,547,179
Staff Development	12,800	19,550	14,868
Depreciation	98,135	106,350	109,285
	<u>2,847,443</u>	<u>2,849,552</u>	<u>2,778,470</u>

#### 5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	8,248	8,500	8,008
Board Fees	3,050	4,500	3,235
Board Expenses	9,240	8,000	10,287
Communication	2,172	3,950	3,214
Consumables	22,924	21,650	19,898
Other	20,997	27,950	26,255
Employee Benefits - Salaries	158,355	109,500	123,575
Insurance	7,771	7,800	7,610
Service Providers, Contractors and Consultancy	9,072	10,000	7,800
	<u>241,829</u>	<u>201,850</u>	<u>209,882</u>

#### 6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	94,189	88,000	83,466
Consultancy and Contract Services	-	1,000	-
Cyclical Maintenance Provision	29,142	17,000	(7,665)
Grounds	464	3,500	2,731
Heat, Light and Water	27,958	38,000	26,460
Repairs and Maintenance	28,388	47,000	34,952
Use of Land and Buildings	1,024,507	1,400,000	978,859
Security	1,169	2,500	3,556
Employee Benefits - Salaries	65,612	58,000	76,181
	<u>1,271,429</u>	<u>1,655,000</u>	<u>1,198,540</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.

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 7. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	160,471	328,811	163,930
Cash and cash equivalents for Statement of Cash Flows	<u>160,471</u>	<u>328,811</u>	<u>163,930</u>

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

Of the \$160,471 Cash and Cash Equivalents, \$30,087 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2022 on Crown owned school buildings.

#### 8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	19,489	90,000	35,831
Receivables from the Ministry of Education	-	-	-
Interest Receivable	676	200	155
Teacher Salaries Grant Receivable	200,153	172,000	179,768
	<u>220,318</u>	<u>262,200</u>	<u>215,754</u>
Receivables from Exchange Transactions	20,165	90,200	35,986
Receivables from Non-Exchange Transactions	200,153	172,000	179,768
	<u>220,318</u>	<u>262,200</u>	<u>215,754</u>

#### 9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	982	990	982
	<u>982</u>	<u>990</u>	<u>982</u>

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	105,736	75,000	74,359
<b>Total Investments</b>	<b>105,736</b>	<b>75,000</b>	<b>74,359</b>

#### 11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2022</b>						
Buildings	65,245	-	-	-	(8,069)	<b>57,176</b>
Furniture and Equipment	151,205	30,454	-	-	(26,209)	<b>155,450</b>
Information and Communication Technology	82,467	43,485	(5,236)	-	(39,601)	<b>81,115</b>
Leased Assets	38,573	6,967	-	-	(22,485)	<b>23,055</b>
Library Resources	13,744	2,905	(255)	-	(1,771)	<b>14,623</b>
<b>Balance at 31 December 2022</b>	<b>351,234</b>	<b>83,811</b>	<b>(5,491)</b>	<b>-</b>	<b>(98,135)</b>	<b>331,419</b>

The net carrying value of furniture and equipment held under a finance lease is \$23,055 (2021: \$38,573)

#### Restrictions

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

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Buildings	232,015	(174,839)	<b>57,176</b>	232,015	(166,770)	<b>65,245</b>
Furniture and Equipment	533,631	(378,181)	<b>155,450</b>	503,176	(351,971)	<b>151,205</b>
Information and Communication Technology	229,090	(147,974)	<b>81,116</b>	409,538	(327,071)	<b>82,467</b>
Leased Assets	110,880	(87,825)	<b>23,055</b>	103,914	(65,341)	<b>38,573</b>
Library Resources	75,289	(60,667)	<b>14,622</b>	73,753	(60,009)	<b>13,744</b>
<b>Balance at 31 December</b>	<b>1,180,905</b>	<b>(849,486)</b>	<b>331,419</b>	<b>1,322,396</b>	<b>(971,162)</b>	<b>351,234</b>



# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	34,430	34,500	34,182
Accruals	8,248	8,100	8,008
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	233,638	220,000	211,908
Employee Entitlements - Leave Accrual	30,436	25,000	23,266
	<u>306,752</u>	<u>287,600</u>	<u>277,364</u>
Payables for Exchange Transactions	306,752	287,600	277,364
	<u>306,752</u>	<u>287,600</u>	<u>277,364</u>

The carrying value of payables approximates their fair value.

#### 13. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Other revenue in Advance	1,079	18,000	17,761
	<u>1,079</u>	<u>18,000</u>	<u>17,761</u>

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 14. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	77,032	77,032	88,819
Increase to the Provision During the Year	14,359	7,968	(11,787)
Use of the Provision During the Year		-	-
Other Adjustments	-	-	-
Provision at the End of the Year	<u>91,391</u>	<u>85,000</u>	<u>77,032</u>
Cyclical Maintenance - Current	25,264	30,000	25,074
Cyclical Maintenance - Non current	66,127	55,000	51,958
	<u>91,391</u>	<u>85,000</u>	<u>77,032</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan.

#### 15. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	20,206	25,000	20,668
Later than One Year and no Later than Five Years	8,044	25,000	21,479
	<u>28,250</u>	<u>50,000</u>	<u>42,147</u>
<b>Represented by</b>			
Finance lease liability - Current	20,206	25,000	20,668
Finance lease liability - Non current	8,044	25,000	21,479
	<u>28,250</u>	<u>50,000</u>	<u>42,147</u>

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 16. Funds Held for Capital Works Projects

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

	2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
MOE Multi-sport Turf	<i>Completed</i>	(391)	-	391	-	-
MOE Decking Project-ILE	<i>In Progress</i>	(90,451)	-	(2,050)	-	(92,501)
MOE Property-Stormwater Drainage	<i>In Progress</i>	(1,801)	-	-	-	(1,801)
MOE 5YA Project-Electrical	<i>Completed</i>	32,064	-	(32,064)	-	-
MOE Heat Pump Installation	<i>In Progress</i>	5,543	-	-	-	5,543
MOE Window Winder Upgrade	<i>Completed</i>	(5,484)	6,409	(925)	-	-
MOE Boiler Removal Project	<i>In Progress</i>	(7,912)	-	-	-	(7,912)
MOE Room 2-7 Classroom Refurbishment	<i>In Progress</i>	(53,922)	-	(36,555)	-	(90,477)
MOE Drainage Project 2020	<i>Completed</i>	(51,300)	52,660	(1,360)	-	-
MOE Carpark Project	<i>In Progress</i>	13,653	4,819	(1,830)	-	16,642
MOE Site Security Upgrade	<i>In Progress</i>	(13,982)	22,734	(850)	-	7,902
Totals		(173,983)	86,622	(75,243)	-	(162,604)

#### Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Receivable from the Ministry of Education

30,087  
(192,691)

	2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
MOE Multi-sport Turf	<i>In Progress</i>	10,878	-	11,269	-	(391)
MOE Decking Project-ILE	<i>In Progress</i>	(26,884)	-	63,567	-	(90,451)
MOE Property-Stormwater Drainage	<i>In Progress</i>	(1,801)	-	-	-	(1,801)
MOE 5YA Project-Electrical	<i>In Progress</i>	36,462	-	4,398	-	32,064
MOE Heat Pump Installation	<i>In Progress</i>	5,543	-	-	-	5,543
MOE Window Winder Upgrade	<i>In Progress</i>	(4,192)	-	1,292	-	(5,484)
MOE Boiler Removal Project	<i>In Progress</i>	(1,306)	-	6,606	-	(7,912)
MOE Security Project	<i>In Progress</i>	-	-	-	-	-
MOE Room 2-7 Classroom Refurbishment	<i>In Progress</i>	67,816	-	121,738	-	(53,922)
MOE Drainage Project 2020	<i>In Progress</i>	(23,857)	-	27,443	-	(51,300)
MOE Carpark Project	<i>In Progress</i>	-	43,375	29,722	-	13,653
MOE Site Security Upgrade	<i>In Progress</i>	(38,311)	27,000	2,671	-	(13,982)
Totals		24,348	70,375	268,706	-	(173,983)

#### Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Receivable from the Ministry of Education

51,260  
(225,243)

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 17. Related Party Transactions

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

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

#### 18. Remuneration

##### Key management personnel compensation

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

	<b>2022</b> <b>Actual</b> \$	<b>2021</b> <b>Actual</b> \$
<i>Board Members</i> Remuneration	3,050 0.07	3,235 0.04
<i>Leadership Team</i> Remuneration Full-time equivalent members	369,287 3	361,701 3
Total key management personnel remuneration	372,337	364,936

There are 5 members of the Board excluding the Principal. The Board had held **8** full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

##### Principal

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

	<b>2022</b> <b>Actual</b> \$000	<b>2021</b> <b>Actual</b> \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	140 - 150
Benefits and Other Emoluments	0-10	0-10
Termination Benefits	-	-

##### Other Employees

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

<b>Remuneration</b> \$000	<b>2022</b> <b>FTE Number</b>	<b>2021</b> <b>FTE Number</b>
100 - 110	5.00	4.00
	5.00	4.00

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

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

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

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

	<b>2022 Actual</b>	<b>2021 Actual</b>
Total	-	-
Number of People	-	-

#### 20. Contingencies

There are no contingent liabilities and no contingent assets 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.

#### 21. Commitments

##### (a) Capital Commitments

As at 31 December 2022: nil

(Capital commitments at 31 December 2021: nil)

# Waikowhai Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 22. Financial Instruments

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

##### Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	160,471	328,811	163,930
Receivables	220,318	262,200	215,754
Total Financial assets measured at amortised cost	380,789	591,011	379,684

##### Financial liabilities measured at amortised cost

Payables	306,752	287,600	277,364
Finance Leases	26,630	50,000	42,147
Total Financial Liabilities Measured at Amortised Cost	333,382	337,600	319,511

#### 23. Events After Balance Date

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

#### 24. Comparatives

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

#### 25. Subsequent Events - Extreme Weather Events.

During February 2023 the North Island of New Zealand was struck by several extreme weather events which resulted in widespread flooding, road closures, slips, and prolonged power and water outages for many communities in the Northland, Auckland, Coromandel, Bay of Plenty, Gisborne and Hawkes Bay/Tairāwhiti regions.

While many schools were able to reopen soon after the extreme weather events, some schools have remained closed for a prolonged period.

The damage caused by extreme weather events in the Auckland region and the full financial impact has not yet been determined, but it is not expected to be significant to the school. The School continued to receive funding from the Ministry of Education, even while closed.