

PARAPARAUMU SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:

2949

Principal:

Steve Caldwell

School Address:

Ruapehu Street,
Paraparaumu
Kapiti Coast 5032

School Postal Address:

School Phone:

04-298-7900

School Email:

office@paraparaumu.school.nz

Members of the Board

Commissioner

Roz Mexted

Left office

Daniel Cottrell
Emma Hine
Cat Francis
C Wylde
Carla Nicolson
Miriam Gemmell
A Chaber Murray

Accountant / Service Provider:

Davidson Dickson Ltd

PARAPARAUMU SCHOOL

Annual Report - For the year ended 31 December 2022

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Paraparaumu 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.

Delwyn Clement
Full Name of Presiding Member

Steven Adnel
Full Name of Principal

T. Clement
Signature of Presiding Member

[Signature]
Signature of Principal

5/12/2023
Date:

5/12/23
Date:

Paraparaumu School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	2,874,103	2,794,822	2,597,490
Locally Raised Funds	3	119,435	39,500	96,136
Interest Income		8,397	6,000	3,287
Total Revenue		3,001,935	2,840,322	2,696,913
Expenses				
Locally Raised Funds	3	77,895	15,000	37,867
Learning Resources	4	2,139,506	2,120,172	1,951,160
Administration	5	180,534	139,459	139,970
Finance		916	-	962
Property	6	583,052	558,129	519,032
Loss on Disposal of Property, Plant and Equipment		-	-	20
		2,981,903	2,832,760	2,649,011
Net Surplus for the year		20,032	7,562	47,902
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		20,032	7,562	47,902

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

Paraparaumu School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		721,118	721,118	673,216
Total comprehensive revenue and expense for the year		20,032	7,562	47,902
Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		9,768	-	-
Equity at 31 December		750,918	728,680	721,118
Accumulated comprehensive revenue and expense		750,918	728,680	721,118
Equity at 31 December		750,918	728,680	721,118

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.

Paraparaumu School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	292,957	173,104	195,891
Accounts Receivable	8	176,529	120,000	121,180
GST Receivable		14,479	-	9,700
Prepayments		776	5,000	3,124
Inventories	9	1,154	1,000	1,773
Investments	10	319,953	320,000	317,274
Funds Receivable for Capital Works Projects	16	-	-	5,856
		805,848	619,104	654,798
Current Liabilities				
Accounts Payable	12	311,747	158,842	161,356
Revenue Received in Advance	13	-	2,000	17,250
Provision for Cyclical Maintenance	14	81,091	64,000	64,000
Finance Lease Liability	15	5,031	5,000	6,034
Funds held for Capital Works Projects	16	22,813	-	29,205
		420,682	229,842	277,845
Working Capital Surplus		385,166	389,262	376,953
Non-current Assets				
Property, Plant and Equipment	11	367,484	362,600	355,600
		367,484	362,600	355,600
Non-current Liabilities				
Provision for Cyclical Maintenance	14	-	18,182	8,182
Finance Lease Liability	15	1,732	5,000	3,253
		1,732	23,182	11,435
Net Assets		750,918	728,680	721,118
Equity		750,918	728,680	721,118

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

Paraparaumu School

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		724,992	748,282	614,193
Locally Raised Funds		100,565	39,500	92,234
Goods and Services Tax (net)		(4,779)	-	3,335
Payments to Employees		(437,426)	(437,230)	(368,418)
Payments to Suppliers		(211,763)	(231,900)	(259,727)
Interest Paid		(916)	-	(962)
Interest Received		6,683	6,000	3,317
Net cash from/(to) Operating Activities		177,356	124,652	83,972
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	(20)
Purchase of Property Plant & Equipment (and Intangibles)		(80,340)	(57,980)	(122,598)
Purchase of Investments		(2,679)	(10,000)	(1,629)
Proceeds from Sale of Investments		-	-	-
Net cash from/(to) Investing Activities		(83,019)	(67,980)	(124,247)
Cash flows from Financing Activities				
Furniture and Equipment Grant		9,768	-	-
Finance Lease Payments		(6,503)	(2,500)	(5,991)
Funds Administered on Behalf of Third Parties		(536)	-	(5,038)
Net cash from/(to) Financing Activities		2,729	(2,500)	(11,029)
Net increase/(decrease) in cash and cash equivalents		97,066	54,172	(51,304)
Cash and cash equivalents at the beginning of the year	7	195,891	118,932	247,195
Cash and cash equivalents at the end of the year	7	292,957	173,104	195,891

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.

Paraparaumu School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 21b.

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.

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	50 years
Furniture and equipment	5-14 years
Information and communication technology	5 years
Motor vehicles	10 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

k) Intangible Assets

Software costs

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

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

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

n) Revenue Received in Advance

Revenue received in advance relates to 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.

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.

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 schools 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) 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.

s) 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.

t) Budget Figures

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

u) Services received in-kind

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

2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	770,930	691,650	650,276
Teachers' Salaries Grants	1,698,463	1,698,462	1,589,599
Use of Land and Buildings Grants	404,710	404,710	357,615
	<u>2,874,103</u>	<u>2,794,822</u>	<u>2,597,490</u>

The school has opted in to the donations scheme for this year. Total amount received was \$49,950.

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	28,801	18,500	21,413
Fees for Extra Curricular Activities	57,759	15,000	39,403
Trading	3,447	-	5,330
Fundraising & Community Grants	27,441	6,000	29,825
Other Revenue	1,987	-	165
	<u>119,435</u>	<u>39,500</u>	<u>96,136</u>
Expenses			
Extra Curricular Activities Costs	69,046	15,000	30,671
Trading	8,849	-	7,196
	<u>77,895</u>	<u>15,000</u>	<u>37,867</u>
<i>Surplus for the year Locally raised funds</i>	<u>41,540</u>	<u>24,500</u>	<u>58,269</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	97,613	83,950	83,808
Information and Communication Technology	12,113	1,600	2,017
Employee Benefits - Salaries	1,943,989	1,971,622	1,796,419
Staff Development	13,356	13,000	5,506
Depreciation	72,435	50,000	63,410
	<u>2,139,506</u>	<u>2,120,172</u>	<u>1,951,160</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	7,119	7,119	6,912
Board Fees	660	3,000	1,410
Board Expenses	5,489	9,100	9,752
Intervention Costs & Expenses	22,561	-	-
Communication	2,181	2,250	2,094
Consumables	12,059	11,500	10,946
Operating Lease	521	500	(111)
Other	5,693	11,300	15,228
Employee Benefits - Salaries	114,714	85,750	84,000
Insurance	3,287	2,740	3,489
Service Providers, Contractors and Consultancy	6,250	6,200	6,250
	<u>180,534</u>	<u>139,459</u>	<u>139,970</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	17,734	16,600	15,844
Cyclical Maintenance Provision	8,909	10,000	9,798
Grounds	1,760	1,200	1,758
Heat, Light and Water	12,501	14,823	14,299
Rates	4,254	3,500	3,977
Repairs and Maintenance	43,270	24,976	33,406
Use of Land and Buildings	404,710	404,710	357,615
Security	3,495	4,000	3,221
Employee Benefits - Salaries	86,419	78,320	79,114
	<u>583,052</u>	<u>558,129</u>	<u>519,032</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 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
ASB Cheque Account	135,000	173,104	38,279
ASB 04 Account	91	-	518
ASB Saver	157,852	-	157,080
Cash on Hand	14	-	14
Cash and cash equivalents for Statement of Cash Flows	<u>292,957</u>	<u>173,104</u>	<u>195,891</u>

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

Of the \$292,957 Cash and Cash Equivalents, \$22,813 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 2023 on Crown owned school buildings.

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	1,966	-	344
Interest Receivable	2,411	-	697
Banking Staffing Underuse	23,377	-	-
Teacher Salaries Grant Receivable	148,775	120,000	120,139
	<u>176,529</u>	<u>120,000</u>	<u>121,180</u>
Receivables from Exchange Transactions	4,377	-	1,041
Receivables from Non-Exchange Transactions	172,152	120,000	120,139
	<u>176,529</u>	<u>120,000</u>	<u>121,180</u>

9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	454	500	1,395
School Uniforms	700	500	378
	<u>1,154</u>	<u>1,000</u>	<u>1,773</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	319,953	320,000	317,274
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	319,953	320,000	317,274

11. Property, Plant and Equipment

	Opening Balance	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	28,420	-			(931)	27,489
Furniture and Equipment	240,577	49,203			(38,342)	251,438
Information and Communication Technology	61,798	31,137			(23,848)	69,087
Leased Assets	8,802	3,979			(7,313)	5,468
Library Resources	16,003				(2,001)	14,002
Balance at 31 December 2022	355,600	84,319	-	-	(72,435)	367,484

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
	\$	\$	\$	\$	\$	\$
Building Improvements	46,529	(19,040)	27,489	46,529	(18,109)	28,420
Furniture and Equipment	474,100	(222,662)	251,438	424,897	(184,320)	240,577
Information and Communication Technology	200,999	(131,912)	69,087	169,862	(108,064)	61,798
Leased Assets	39,481	(34,013)	5,468	35,502	(26,700)	8,802
Library Resources	40,667	(26,665)	14,002	40,667	(24,664)	16,003
Balance at 31 December	801,776	(434,292)	367,484	717,457	(361,857)	355,600

12. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	121,363	9,842	9,048
Accruals	7,119	5,000	6,912
Employee Entitlements - Salaries	161,570	135,000	133,620
Employee Entitlements - Leave Accrual	21,695	9,000	11,776
	<u>311,747</u>	<u>158,842</u>	<u>161,356</u>
 Payables for Exchange Transactions	 311,747	 158,842	 161,356
	<u>311,747</u>	<u>158,842</u>	<u>161,356</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Grants in Advance - Ministry of Education	-	-	-
International Student Fees in Advance	-	-	-
Hostel Fees in Advance	-	-	-
Other revenue in Advance	-	2,000	17,250
	<u>-</u>	<u>2,000</u>	<u>17,250</u>

14. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	72,182	72,182	62,384
Increase to the Provision During the Year	8,909	10,000	9,798
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>81,091</u>	<u>82,182</u>	<u>72,182</u>
Cyclical Maintenance - Current	81,091	64,000	64,000
Cyclical Maintenance - Non current	-	18,182	8,182
	<u>81,091</u>	<u>82,182</u>	<u>72,182</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 and quoted work price schedule.

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	4,618		5,438
Later than One Year and no Later than Five Years	1,611		3,057
Future Finance Charges	534		792
	<u>6,763</u>	-	<u>9,287</u>
Represented by			
Finance lease liability - Current	5,031		6,034
Finance lease liability - Non current	1,732		3,253
	<u>6,763</u>	-	<u>9,287</u>

16. Funds Held for Capital Works Projects

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

	2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Refurb 2TS - Project 212866	<i>closed</i>	(5,856)	18,035	(12,291)	112	-
Upgrade toilets Rm 1 and 12 Project 217105	<i>ongoing</i>	29,205	237,234	(243,626)	-	22,813
Totals		<u>23,349</u>	<u>255,269</u>	<u>(255,917)</u>	<u>112</u>	<u>22,813</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	22,813
Funds Receivable from the Ministry of Education	-

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Refurb 2TS - Project 212866	<i>ongoing</i>	(1,960)	412,747	(416,643)	-	(5,856)
Upgrade toilets Project 217105	<i>ongoing</i>	(9,250)	67,860	(29,405)	-	29,205
Sip Playground 1	<i>closed</i>	39,597	7,030	(46,627)	-	-
Electrical Work	<i>closed</i>	-	5,000	(5,002)	2	-
Totals		<u>28,387</u>	<u>492,637</u>	<u>(497,677)</u>	<u>2</u>	<u>23,349</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	29,205
Funds Receivable from the Ministry of Education	5,856

17. Related Party Transactions

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

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

18. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	660	1,410
<i>Leadership Team</i>		
Remuneration	389,862	358,385
Full-time equivalent members	3	3
Total key management personnel remuneration	390,522	359,795

Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	140-150
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	2.00	2.00
110-120	2.00	0.00
	4.00	2.00

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

19. Compensation and Other Benefits Upon Leaving

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

	2022 Actual	2021 Actual
Total	-	-
Number of People	-	-

20. Contingencies

There are no contingent liabilities (except as noted below) 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 the Board had entered into contract agreements for capital works:

(a) \$949,473 contract for Classroom and toilet upgrade, which will be mostly funded by the Ministry of Education (\$917,473), and the board funded \$32,000.

To date \$530,094 has been received, and of which \$546,541 has been spent on the project to date.

As at 31 December 2021 Nil

22. Financial Instruments

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

Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	292,957	173,104	195,891
Receivables	176,529	120,000	121,180
Investments - Term Deposits	319,953	320,000	317,274
Total Financial assets measured at amortised cost	<u>789,439</u>	<u>613,104</u>	<u>634,345</u>

Financial liabilities measured at amortised cost

Payables	311,747	158,842	161,356
Finance Leases	6,763	10,000	9,287
Total Financial Liabilities Measured at Amortised Cost	<u>318,510</u>	<u>168,842</u>	<u>170,643</u>

23. Events After Balance Date

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

24. Comparatives

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



Statement of Compliance with Employment Policy

For the year ended 31st December 2022 the Paraparaumu School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment.
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications, and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.

Principal: Steven Caldwell Dip Tchg BA (Hons)

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