

TAHUNA SCHOOL

Annual Report - For the year ended 31 December 2022

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TAHUNA SCHOOL

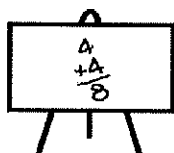
ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	1972
Principal:	Phillip Otto
School Address:	43 Tahuna Ohinewai Road, RD 3, Morrinsville
School Postal Address:	43 Tahuna Ohinewai Road, RD 3, Morrinsville
School Phone:	027 333 6186
School Email:	admin@tahunaschool.school.nz

Accountant / Service Provider:



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Tahuna 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.

Jan Nicholas Kraenzlin

Full Name of Presiding Member



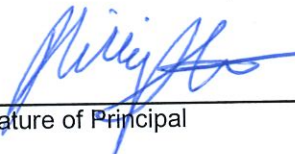
Signature of Presiding Member

8/05/2024

Date:

Phillip Te Karoa Otto

Full Name of Principal



Signature of Principal

8/05/2024

Date:

Tahuna 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	905,590	833,500	877,553
Locally Raised Funds	3	41,902	51,130	43,394
Interest Income		4,239	1,000	1,229
Total Revenue		951,731	885,630	922,176
Expenses				
Locally Raised Funds	3	14,580	15,800	11,336
Learning Resources	4	632,510	626,850	729,118
Administration	5	101,728	88,940	93,844
Finance		1,031	-	1,098
Property	6	182,172	153,850	145,512
		932,021	885,440	980,908
Net Surplus / (Deficit) for the year		19,710	190	(58,732)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		19,710	190	(58,732)

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



Tahuna 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		442,616	440,000	489,473
Total comprehensive revenue and expense for the year		19,710	190	(58,732)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		4,231	-	11,875
Equity at 31 December		466,557	440,190	442,616
Accumulated comprehensive revenue and expense		466,557	440,190	442,616
Reserves		-	-	-
Equity at 31 December		466,557	440,190	442,616

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.



Tahuna 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	290,825	13,190	102,252
Accounts Receivable	8	43,708	50,000	49,039
Investments	9	-	100,000	137,912
		334,533	163,190	289,203
Current Liabilities				
GST Payable		5,679	12,000	13,450
Accounts Payable	11	60,164	60,000	85,050
Revenue Received in Advance	12	15,000	-	10,000
Provision for Cyclical Maintenance	13	59,464	-	38,675
Finance Lease Liability	14	5,131	6,000	5,535
Funds held for Capital Works Projects	15	54,885	-	54,885
		200,323	78,000	207,595
Working Capital Surplus/(Deficit)		134,210	85,190	81,608
Non-current Assets				
Property, Plant and Equipment	10	337,714	370,000	371,723
		337,714	370,000	371,723
Non-current Liabilities				
Finance Lease Liability	14	5,367	5,000	10,715
		5,367	5,000	10,715
Net Assets		466,557	450,190	442,616
Equity		466,557	440,190	442,616

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



Tahuna 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		276,525	203,500	228,780
Locally Raised Funds		46,902	51,130	53,394
Goods and Services Tax (net)		(7,771)	-	13,450
Payments to Employees		(156,452)	(150,150)	(191,679)
Payments to Suppliers		(107,227)	(161,157)	(137,894)
Interest Paid		(1,031)	-	(1,098)
Interest Received		4,239	1,000	1,229
Net cash from/(to) Operating Activities		55,185	(55,677)	(33,818)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(3,003)	(10,500)	-
Purchase of Investments		-	-	(90,230)
Proceeds from Sale of Investments		137,912	37,000	-
Net cash from/(to) Investing Activities		134,909	26,500	(90,230)
Cash flows from Financing Activities				
Furniture and Equipment Grant		4,231	-	11,875
Finance Lease Payments		(5,752)	(5,000)	(5,345)
Funds Administered on Behalf of Third Parties		-	(54,885)	(118,953)
Net cash from/(to) Financing Activities		(1,521)	(59,885)	(112,423)
Net increase/(decrease) in cash and cash equivalents		188,573	(89,062)	(236,471)
Cash and cash equivalents at the beginning of the year	7	102,252	102,252	338,723
Cash and cash equivalents at the end of the year	7	290,825	13,190	102,252

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.



Tahuna School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Tahuna 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 13.

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 10.



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 14. Future operating lease commitments are disclosed in note 14b.

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) Finance Lease Payments

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

e) Cash and Cash Equivalents

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



f) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for 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.

g) 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.

h) 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:

Building improvements	20–50 years
Furniture and equipment	10 years
Information and communication technology	5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value



i) 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.

j) 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.

k) 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.

l) Revenue Received in Advance

Revenue received in advance relates 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.

m) 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.



n) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on 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.

o) Financial Instruments

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

The School's financial liabilities comprise accounts payable and finance lease 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.

p) 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.

q) 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	271,575	203,500	228,780
Teachers' Salaries Grants	491,605	500,000	527,141
Use of Land and Buildings Grants	135,884	130,000	121,632
Other Government Grants	6,526	-	-
	<u>905,590</u>	<u>833,500</u>	<u>877,553</u>

The school has opted in to the donations scheme for this year. Total amount received was \$(enter dollar amount received).

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	12,365	25,000	25,424
Fees for Extra Curricular Activities	11,830	8,400	1,556
Trading	333	2,030	1,397
Other Revenue	17,374	15,700	15,017
	<u>41,902</u>	<u>51,130</u>	<u>43,394</u>
Expenses			
Extra Curricular Activities Costs	7,169	4,250	8,285
Trading	(217)	1,250	511
Other Locally Raised Funds Expenditure	7,628	10,300	2,540
	<u>14,580</u>	<u>15,800</u>	<u>11,336</u>
	<u>27,322</u>	<u>35,330</u>	<u>32,058</u>

Surplus/ (Deficit) for the year Locally raised funds

4. Learning Resources

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Curricular	10,923	16,700	7,576
Employee Benefits - Salaries	582,816	596,650	674,388
Staff Development	1,846	3,000	6,266
Depreciation	36,925	10,500	40,888
	<u>632,510</u>	<u>626,850</u>	<u>729,118</u>



5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	4,100	4,300	4,000
Board Fees	2,555	3,850	3,850
Board Expenses	996	2,400	13,466
Communication	917	1,340	268
Consumables	4,166	2,350	2,633
Operating Lease	246	1,200	540
Other	16,416	16,700	8,662
Employee Benefits - Salaries	65,241	53,500	55,927
Insurance	2,170	1,200	998
Service Providers, Contractors and Consultancy	4,921	2,100	3,500
	<u>101,728</u>	<u>88,940</u>	<u>93,844</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	2,179	2,400	2,204
Cyclical Maintenance Provision	20,789	4,000	4,100
Grounds	8,704	8,600	7,066
Heat, Light and Water	4,057	5,300	4,857
Rates	3,972	-	-
Repairs and Maintenance	3,389	3,550	5,653
Use of Land and Buildings	135,884	130,000	121,632
Security	3,198	-	-
	<u>182,172</u>	<u>153,850</u>	<u>145,512</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 \$
Bank Accounts	89,201	13,190	102,252
Short-term Bank Deposits	201,624	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>290,825</u>	<u>13,190</u>	<u>102,252</u>

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

Of the \$290,825 Cash and Cash Equivalents, \$54,885 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.

Of the \$290,825 Cash and Cash Equivalents, \$15,000 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Teacher Salaries Grant Receivable	43,708	50,000	49,039
	<u>43,708</u>	<u>50,000</u>	<u>49,039</u>
Receivables from Exchange Transactions	-	-	-
Receivables from Non-Exchange Transactions	43,708	50,000	49,039
	<u>43,708</u>	<u>50,000</u>	<u>49,039</u>

9. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	-	100,000	137,912
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	<u>-</u>	<u>100,000</u>	<u>137,912</u>

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Land	15,000	-	-	-	-	15,000
Building Improvements	290,667	-	-	-	(17,294)	273,373
Furniture and Equipment	52,739	-	(87)	-	(10,579)	42,073
Information and Communication Technology	4,353	3,003	-	-	(2,418)	4,938
Leased Assets	7,966	-	-	-	(6,509)	1,457
Library Resources	998	-	-	-	(125)	873
	-	-	-	-	-	-
Balance at 31 December 2022	371,723	3,003	(87)	-	(36,925)	337,714

The net carrying value of furniture and equipment held under a finance lease is \$1,457(2021: \$7,966)

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land	15,000	-	15,000	15,000	-	15,000
Building Improvements	408,194	(134,821)	273,373	408,194	(117,527)	290,667
Furniture and Equipment	97,586	(55,513)	42,073	98,821	(46,082)	52,739
Information and Communication Technology	25,847	(20,909)	4,938	28,604	(24,251)	4,353
Motor Vehicles	43,923	(43,923)	-	43,923	(43,923)	-
Leased Assets	25,974	(24,517)	1,457	26,444	(18,478)	7,966
Library Resources	23,632	(22,759)	873	23,632	(22,634)	998
Balance at 31 December	640,156	(302,442)	337,714	644,618	(272,895)	371,723

11. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	7,700	-	-
Accruals	7,850	10,000	24,516
Banking Staffing Overuse	-	-	10,589
Employee Entitlements - Salaries	43,708	50,000	49,039
Employee Entitlements - Leave Accrual	906	-	906
	60,164	60,000	85,050
Payables for Exchange Transactions	60,164	60,000	85,050
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	60,164	60,000	85,050

The carrying value of payables approximates their fair value.



12. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Other revenue in Advance	15,000	-	10,000
	<u>15,000</u>	<u>-</u>	<u>10,000</u>

13. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	38,675	38,675	34,575
Increase to the Provision During the Year	20,789	4,000	4,100
Use of the Provision During the Year	-	(42,675)	-
Other Adjustments	-	-	-
Provision at the End of the Year	<u>59,464</u>	<u>-</u>	<u>38,675</u>
Cyclical Maintenance - Current	59,464	-	38,675
Cyclical Maintenance - Non current	-	-	-
	<u>59,464</u>	<u>-</u>	<u>38,675</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.

14. 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	5,131	6,000	5,535
Later than One Year and no Later than Five Years	5,367	5,000	10,715
Later than Five Years	-	-	-
Future Finance Charges	<u>10,498</u>	<u>11,000</u>	<u>16,250</u>
Represented by			
Finance lease liability - Current	5,131	6,000	5,535
Finance lease liability - Non current	5,367	5,000	10,715
	<u>10,498</u>	<u>11,000</u>	<u>16,250</u>



15. 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 9.

2022	Project Number	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Shade Sail		54,885	-	-	-	54,885
Totals		54,885	-	-	-	54,885

Represented by:

Funds Held on Behalf of the Ministry of Education	54,885
Funds Receivable from the Ministry of Education	-

2021	Project Number	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Shade Sail		-	54,885	-	-	54,885
Tech Block Upgrade		173,838	15,976	(192,118)	(2,304)	-
Roof Growth Classroom/Bathroom		-	28,616	(28,616)	-	-
Totals		173,838	99,477	(220,734)	(2,304)	54,885

Represented by:

Funds Held on Behalf of the Ministry of Education	54,885
Funds Receivable from the Ministry of Education	-

16. 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.



17. 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	2,555	3,850
<i>Leadership Team</i> Remuneration Full-time equivalent members	115,169 1	81,567 1
Total key management personnel remuneration	117,724	85,417

There are 6 members of the Board excluding the Principal. The Board had held 7 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110-120	70-80
Benefits and Other Emoluments	3-4	2-3
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	-	-
	0.00	0.00

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



18. 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	-	-

19. 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.

20. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into contract agreements for capital works as follows:

(a) Contract for Shade Sail to be completed in 2023, which will be fully funded by the Ministry of Education. \$54,885 has been received of which \$0 has been spent on the project to date;

(Capital commitments at 31 December 2021: \$54,855)

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into any operating commitments (2021:Nil)



21. 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	290,825	13,190	102,252
Receivables	43,708	50,000	49,039
Investments - Term Deposits	-	100,000	137,912
Total Financial assets measured at amortised cost	<u>334,533</u>	<u>163,190</u>	<u>289,203</u>

Financial liabilities measured at amortised cost

Payables	60,164	60,000	85,050
Finance Leases	10,498	11,000	16,250
Total Financial Liabilities Measured at Amortised Cost	<u>70,662</u>	<u>71,000</u>	<u>101,300</u>

22. Events After Balance Date

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

23. Comparatives

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

Kiwi Sport

Kiwi Sport is a Government funding initiative to support students' participation in organised sport. In 2022, the funding was spent on sporting equipment to enhance pupils core skills and increase confidence to participate in Team Sports. It was also spent on travel and costs to various sporting opportunities in the area.

Analysis of Variance Reporting

School Name:	Tahuna School	School Number:	1972
Strategic Aim:	<p>Grow achievement for our children.</p> <p>To strengthen partnership with our community.</p> <p>To develop our Tahuna School localised curriculum.</p> <p>To implement ways to take care of our well-being.</p>		
Annual Aim:	<p><u>Annual Aims – 2023</u></p> <p><u>The actions we will take</u></p> <p>Grow achievement for our children.</p> <ul style="list-style-type: none"> • Grow achievement for our children in literacy and mathematics, integrated throughout the whole curriculum. • Grow achievement for our priority learners. • To grow staff capabilities. <p>To strengthen partnership with our community.</p> <ul style="list-style-type: none"> • To ensure effective communication with our community. • Support the home and school partnership by working closely with our parents and whanau (Tahuna Mahi Tahii) <p>To develop our Tahuna School localised curriculum.</p> <ul style="list-style-type: none"> • To develop a curriculum that is valued by our children, staff, parents and wider community which reflects our people, values, goals and our ICARE Pathway (Graduate Profile) • To continue to offer rich curriculum learning experiences. <p>To implement ways to take care of our well-being.</p> <ul style="list-style-type: none"> • To ensure we support our children and staff with their well-being. 		
Target:	<p><u>2023 Target Data</u></p> <p>Reading targets by the end of 2023 is 62/89 children to be achieving at or above expectation = 70%</p> <p>Maori reading targets by the end of 2023 is 7/11 children to be achieving at or above expectation = 64%</p> <p>Writing targets by the end of 2023 is 64/89 children to be achieving at or above expectation = 72%</p> <p>Maori writing targets by the end of 2023 is 9/11 children to be achieving at or above expectation = 82%</p> <p>Maths targets by the end of 2023 is 70/89 children to be achieving at or above expectation = 79%</p> <p>Maori maths targets by the end of 2023 is 10/11 children to be achieving at or above expectation = 91%</p>		

Baseline Data.	2022 Data
	<p>Reading by the end of 2023 is 55/76 children to be achieving at or above expectation = 73%</p> <p>Maori reading by the end of 2023 is 8/11 children to be achieving at or above expectation = 73%</p> <p>Writing by the end of 2023 is 56/76 children to be achieving at or above expectation = 74%</p> <p>Maori writing by the end of 2023 is 6/11 children to be achieving at or above expectation = 55%</p> <p>Maths by the end of 2023 is 60/76 children to be achieving at or above expectation = 79%</p> <p>Maori maths by the end of 2023 is 6/11 children to be achieving at or above expectation = 55%</p>

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
Student goals need to be specific and clearly understood - developed in reading, writing and maths	See 2022 data above.	Another covid affected year where we had a [REDACTED], following covid health measures (ie close contact etc, having vigilant processes in place ie child sent home with runny nose, cough etc)	See planning next year 2023.
Continue to utilise the Reading programmes currently in use.		Low Attendance data has had a significant impact on student data.	
Continue Quick 60 as a programme to meet the needs of our at risk readers.		Term 4 61% regular, 29% irregular, 8% moderately, 2% chronically	
Implement the Yolanda Soryl Phonics programme to meet the literacy needs of our target students.		Term 3 56% regular, 27%, 7%, 10%	
		Term 2 45% regular, 33% irregular, 13% moderately, 7% chronically	
		Term 1 49% regular, 26% irregular, 6% moderately, 2% chronically	
Continue Early Words programme.			

Planning for next year: 2023

- Maori achieving success as Maori (cultural responsive plan - Strategic Aim 1)
- Implementation of Yolanda's Soryl's phonics programme - linked to PGC.
- Prime maths PLD - linked to PGC.
- Reading logs, meet the teacher evening, whanau forms, basic facts - mahi tahi.
- Support MOE attendance/engagement strategy - Set attendance target 90%.
- Strengthen learning goals for reading, writing and maths.
- P.O.W.E.R - staff well-being, regular fitness, PE for tamariki, activities to support mental health - brain breaks
- Professional Growth - our ICARE Values pathway (graduate profile)
- Big learning idea planning - integrated.
- Priority children (targeted children register) - update every term.
- Learning assistant allocation to work with target children and groups.
- Promoting Reading for enjoyment and community awareness.
- Quick 60 programme implemented for target readers.
- Early words programme for junior readers.
- Reading Eggs / PM reading computer programme.
- Review current reading resources.
- Writing moderation.
- Leveled writing folder with samples.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TAHUNA SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Tahuna School (the School). The Auditor-General has appointed me, Paul Walker, using the staff and resources of Crowe New Zealand Audit Partnership, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 1 to 19, that comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2022; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 14 May 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

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The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included in the Analysis of Variance and Kiwisport Report, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Paul Walker
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Hastings, New Zealand