



**PAKURANGA  
COLLEGE**

# PAKURANGA COLLEGE

## GROUP ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

**School Directory**

**Ministry Number:** 80

**Principal:** Michael Williams

**School Address:** Pigeon Mountain Road. Half Moon Bay, Auckland 2012

**School Postal Address:** P.O.Box 82090, Highland Park, Auckland 2143

**School Phone:** (09) 534 7159

**School Email:** [info@pakuranga.school.nz](mailto:info@pakuranga.school.nz)

**Members of the Board**

Name	Position	How Position Gained	Term Expired/Expires
Nicola Troughear	Presiding Member	Elected Sep 2022	May 2025
Michael Williams	Principal ex Officio		
Adam Bannister	Parent Representative	Elected Sep 2022	May 2025
Jason Fletcher	Parent Representative	Elected Sep 2022	May 2025
Aminiasi Ketu	Parent Representative	Co-opted Nov 2022	May 2025
Jacqui Maclean	Parent Representative	Elected Sep 2022	May 2025
Palatina Sagato-Brown	Parent Representative	Elected May 2019	Sep 2022
Philip Schmidt	Parent Representative	Elected Sep 2022	May 2025
Michael Turinsky	Parent Representative	Elected Sep 2022	May 2025
Brian Payne	Staff Representative	Elected Sep 2022	May 2025
Abby Plom	Student Representative	Elected Sept 2022	Sep 2023
Stefan Lim	Student Representative	Elected Sept 2021	Sep 2022

# Section 1

# PAKURANGA COLLEGE

Group Annual Report - For the year ended 31 December 2022

**Index**

**Section 1**

**Page**

5	Kiwisport and Equal Employment Opportunities
6-10	Analysis of Variance

**Section 2**

**Page**

**Statement**

1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Financial Position
4	Statement of Changes in Net Assets/Equity
5	Statement of Cash Flows
6-17	Notes to the Group Financial Statements

# **Pakuranga College**

## **Statement of KiwiSport and Equal Employment Opportunities**

For the year ended 31 December 2022

### **Kiwisport**

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2021, the school received total Kiwisport funding of \$51,636.11 (excluding GST). The funding was spent on additional staffing.

### **Equal Employment Opportunities**

The Board confirms that the school is acting in line with the Equal Employment Opportunities requirements as per the Public Service Act. Refer Section 73 Public Service Act 2020 Good Employer Requirements.

# Pakuranga College

## 2022 Analysis of Variance

### 2022 Student Achievement Targets

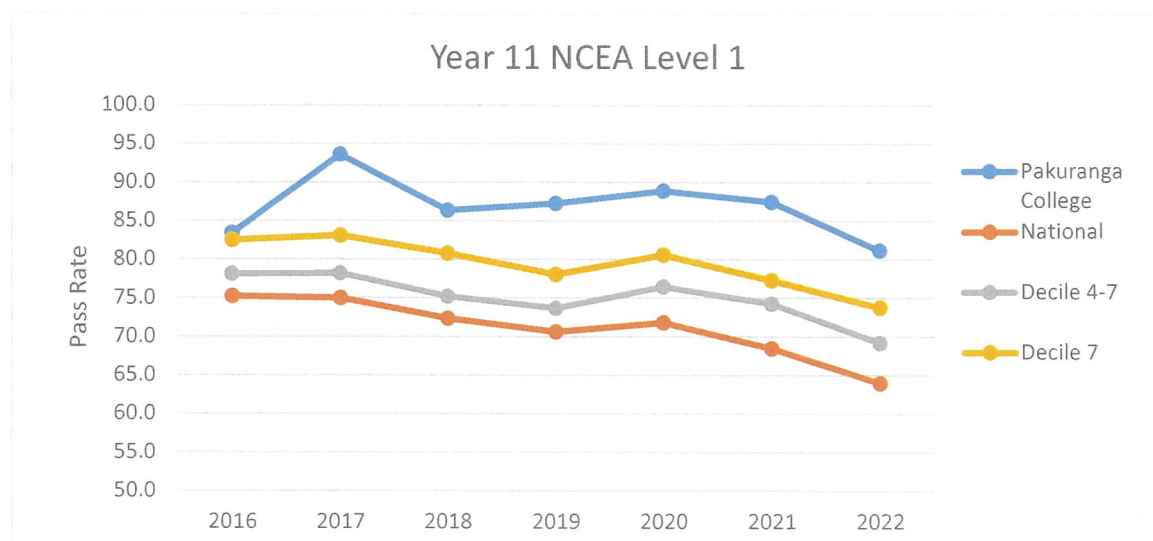
- NCEA Level 1 – 90% of all Year 11 students gain NCEA Level 1
- NCEA Level 2 – 85% of all Year 12 Students gain NCEA Level 2
- NCEA Endorsements across all levels is at least 55% (average of the three levels)
- Māori and Pasifika achievement is as high, or higher, as the school-wide averages
- Co-curricular participation rate exceeds 75%

### Target One

**“NCEA Level 1 – 90% of all Year 11 students gain NCEA Level 1”**

We failed to meet the target. The pass rate was 81.2% which was a sharp decline, but consistent with the national averages.

### NCEA LEVEL 1 ANALYSIS



We had continued with the same range of interventions as in 2021:

- Time and support for high quality Professional Learning and Development focusing on inquiry, student voice and growth mindset
- Data tracking and targeted interventions
- Mentoring
- Reviews of course design

We are starting to see the cumulative impact of three years of COVID disruption, which for Auckland has been far worse than the rest of the country. None the less we have continued to be agile, adjusting to the challenges and applying the learning from previous years.

Taking a longer-term view, in 2019 our pass rate was 9.2% above the Decile 7 Average and in 2022 it was 7.4% above. A relative drop of 2% compared to the National Decile 7 pass rate.

The group that appears to have been most affected by the impact of COVID has been our Pasifika learners. In 2023 we will put more resources into supporting our Māori and Pasifika learners with an increase in mentoring and support.

In 2023 the school professional development programme will incorporate work based on Professor Russell Bishop's work (Teaching to the Northeast) aimed at reducing the achievement gap.

## 2023 Target

**"NCEA Level 1 – 90% of all Year 11 students gain NCEA Level 1"**

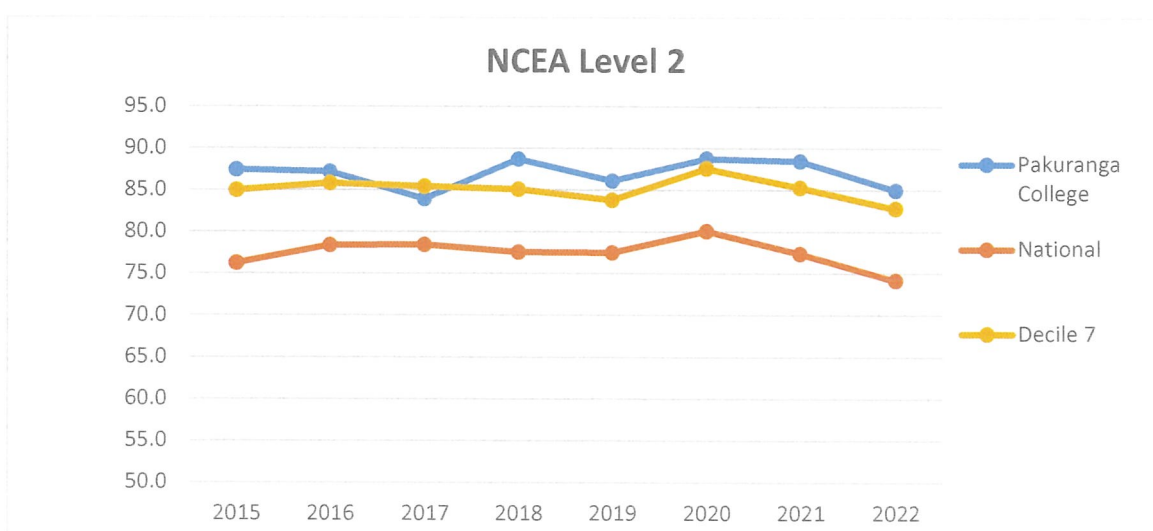
## Target Two

**"NCEA Level 2 – 85% of all Year 12 students gain NCEA Level 2"**

We met the target. The pass rate was 85%

While we met the target, the pass rate dropped 3% from 2021 and while this was consistent with national trends it was disappointing.

## NCEA LEVEL 2 ANALYSIS



The strategies outlined for Level 1 above are equally as important for the whole senior school, the focus in 2022 was to add the use of engagement data to supplement our tracking systems and to further target interventions.

## 2023 Target

NCEA Level 2 – 85% of all Year 12 Students gain NCEA level 2

## Target Three

“NCEA Endorsements across all levels is at least 55% (average of the three levels)”

### Endorsement Rates

	2020	2021	2022
Level 1	66.7	63.5	52.9
Level 2	56.7	60.4	47.2
Level 3	57.1	59.5	50.5

Average level of endorsements 50.2% **Target not met**

The changes to the rules around resubmissions may have been partly responsible for the significant drop

## 2023 Target

NCEA Endorsements across all levels are at least 55% (average of the three levels)

## Target Four

“Māori and Pasifika achievement is as high, or higher, as the school-wide average”

	Whole school	Maori	Pasifika
Level 1	81.2%	76.1%	65.6%
Level 2	85.0%	70.5%	61.5%
Level 3	80.1%	85.2%	63.9%
UE	70.4%	69.2%	44.4%

While we **failed to meet this target**:

- For Pasifika we failed to meet the target at any level. The results for our Pasifika learners dropped significantly at each level.
- For Māori we are met the target at Level 3 and very close at UE level but not at the other levels.

## 2023 Target

Māori and Pasifika achievement is as high, or higher, as the school-wide averages



## Target Five

### **“Co-curricular participation rate exceeds 75%”**

The ongoing impact of COVID and lockdowns over the last few years has impacted significantly on our co-curricular programme and activity levels. It was incredibly pleasing to see that a significant number of activities and students continued to get involved in the co-curricular life of the college, even though it was another challenging year. Engagement, overall, was down 1.0% on 2021 levels (which is 8.0% down on the pre-COVID 2019 levels).

The target for 2022 was for the co-curricular participation rate to exceed 75%; this was set at the beginning of the year as an aspirational target, and without the hindsight of knowing how disruptive 2022 would be again to our programme. Overall, 1,047 students were involved in just over under 100 co-curricular activities – this represented 51% of the student population at the college. Sadly, this is a trending decrease of -1.0% on 2022, -2.0% on 2020, -7.0% on 2019 and -13.0% on 2018 participation rates.

Of those involved, girls were slightly more involved than the boys – with 51% taking part compared with 49% of the boys. This was pleasing to see that there was very little gender bias within our co-curricular programme. Equally pleasing was the reasonably even spread between year groups, very little between most year levels.

**We failed to meet the target**, with only 51% of students engaged in the co-curricular programme.

Not surprisingly the disruption and cumulative impact of COVID-19 has affected students' engagement with the co-curricular programme, however this was also in the context of a nationwide trend of dropping participation in sport. We still place importance on engagement in co-curricular activities and will continue to have an aspirational target to focus our efforts.

## 2023 Target

**Co-curricular participation rate exceeds 75%**

## Overall comment regarding 2023 Targets

Since 2020 schools been severely disrupted by COVID-19, the Learning Recognition Credits and changes to University Entrance were designed to ensure students were not disadvantaged but clearly, they distorted the statistics by artificially inflating pass rates.

The changes to the NZQA rules around re-submissions was flagged as a concern for 2021 as we did not know how this would impact on our students, but the other changes put in place to address the extended lock downs including the Unexpected Grade Event process have clouded the impact of the change. It is highly likely that the marked drop in endorsements that we have seen is due to this change, but again in an environment of multiple changes and things happening it is difficult to attribute the change to just one thing.

In 2023 we have again started the year with major disruption, and we are faced with the long-term impacts of COVID-19 and now the mounting economic pressure on families.

When setting the 2023 student achievement targets, we have acknowledged the challenging environment we are working in but want to the maintain the high expectations we have of our students.

### 2023 STUDENT ACHIEVEMENT TARGETS

NCEA Level 1 – 90% of **all** Year 11 students gain NCEA Level 1

NCEA Level 2 – 85% of **all** Year 12 Students gain NCEA Level 2

NCEA Endorsements across all levels is at least 55% (average of the three levels)

Māori and Pasifika achievement is as high, or higher, as the school-wide averages

Co-curricular participation rate exceeds 75%

# Section 2

# Pakuranga College

## Statement of Responsibility

For the year ended 31 December 2022

The Board accepts responsibility for the preparation of the annual consolidated financial statements and the judgements used in these consolidated 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 group's financial reporting.

It is the opinion of the Board and management that the consolidated annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the group.

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

Nicola Troughear

Full Name of Presiding Member

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*Nicola Troughear*  
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Signature of Presiding Member

19 May 2023

Date:

Michael Williams

Full Name of Principal

DocuSigned by:  
*Michael Williams*  
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Signature of Principal

19 May 2023

Date:

**Pakuranga College**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2022

	Notes	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants	2	21,175,518	19,704,116	20,507,240	21,175,518	19,704,116	20,507,240
Locally Raised Funds	3	1,515,281	1,047,762	1,469,009	1,515,357	1,047,762	1,496,009
Interest Earned		100,491	50,285	28,992	100,735	50,285	28,992
<b>Total revenue</b>		<b>22,791,290</b>	<b>20,802,163</b>	<b>22,005,241</b>	<b>22,791,610</b>	<b>20,802,163</b>	<b>22,032,241</b>
Locally Raised Funds	3	927,213	937,874	802,161	927,213	937,874	802,161
Learning Resources	4	15,833,691	15,813,900	15,586,188	15,833,691	15,813,900	15,586,188
Administration	5	911,268	795,975	771,374	911,310	795,975	771,383
Finance		18,107	18,215	21,749	18,107	18,215	21,749
Property	6	4,827,833	4,176,310	4,569,218	4,827,833	4,176,310	4,569,218
Loss on Disposal of Property, Plant and Equipment		134,877	-	-	134,877	-	-
<b>Total expenses</b>		<b>22,652,989</b>	<b>21,742,274</b>	<b>21,750,690</b>	<b>22,653,031</b>	<b>21,742,274</b>	<b>21,750,699</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>138,301</b>	<b>(940,111)</b>	<b>254,551</b>	<b>138,579</b>	<b>(940,111)</b>	<b>281,542</b>
<b>Other Comprehensive Revenue and Expenses</b> <i>Item that will not be reclassified to surplus(deficit)</i>							
Gain on equity investment revaluations		-	-	-	-	-	-
<b>Total other comprehensive revenue and expense</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>138,301</b>	<b>(940,111)</b>	<b>254,551</b>	<b>138,579</b>	<b>(940,111)</b>	<b>281,542</b>

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

**Pakuranga College****Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2022

Notes	2022	School	2021	2022	Group	2021
	Actual	2022 Budget (Unaudited)	Actual	Actual	2022 Budget (Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
<b>Equity at 1 January</b>	10,996,489	11,078,899	10,741,941	11,023,480	11,078,899	10,741,941
Total comprehensive revenue and expense for the year	138,301	(940,111)	254,551	138,579	(940,111)	281,542
Contributions from the Ministry of Education						
Contribution - Furniture and Equipment Grant	106,154	-	-	106,154	-	-
<b>Equity at 31 December</b>	<b>11,240,944</b>	<b>10,138,788</b>	<b>10,996,492</b>	<b>11,268,213</b>	<b>10,138,788</b>	<b>11,023,483</b>
Accumulated comprehensive revenue and expense	11,240,944	10,138,788	10,996,492	11,268,213	10,138,788	11,023,483
Reserves	-	-	-	-	-	-
<b>Equity at 31 December</b>	<b>11,240,944</b>	<b>10,138,788</b>	<b>10,996,492</b>	<b>11,268,213</b>	<b>10,138,788</b>	<b>11,023,483</b>
<b>Reserve Movements Analysis</b>						
<b>Accumulated comprehensive revenue and expense</b>						
Balance at 1 January	10,996,489	11,078,899	10,741,941	11,023,480	11,078,899	10,741,941
Equity investment revaluation reserve transfer on disposal	-	-	-	-	-	-
Furniture & Equipment grant	106,154	-	-	106,154	-	-
Surplus/(deficit) for the year	138,301	(940,111)	254,551	138,579	(940,111)	281,542
<b>Balance 31 December</b>	<b>11,240,944</b>	<b>10,138,788</b>	<b>10,996,492</b>	<b>11,268,213</b>	<b>10,138,788</b>	<b>11,023,483</b>
<b>Total equity</b>	<b>11,240,944</b>	<b>10,138,788</b>	<b>10,996,492</b>	<b>11,268,213</b>	<b>10,138,788</b>	<b>11,023,483</b>

The above Consolidated Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

**Pakuranga College**  
**Statement of Financial Position**  
As at 31 December 2022

	Notes	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
<b>Current Assets</b>							
Cash and Cash Equivalents	7	2,322,441	2,230,175	4,182,763	2,349,710	2,230,175	4,182,764
Accounts Receivable	8	1,263,476	1,090,431	1,084,142	1,263,476	1,090,431	1,084,142
GST Receivable		-	-	15,412	-	-	15,412
Prepayments		61,497	50,000	63,146	61,497	50,000	63,146
Inventories	9	1,933	4,000	10,715	1,933	4,000	10,715
Investments	10	5,000,000	2,500,000	2,000,000	5,000,000	2,500,000	2,026,990
Funds receivable for Capital Works Projects	17	-	50,000	-	-	50,000	-
		8,649,347	5,924,606	7,356,178	8,676,616	5,924,606	7,383,169
<b>Current Liabilities</b>							
GST Payable		8,855	18,476	-	8,855	18,476	-
Accounts Payable	12	1,683,486	1,494,741	1,580,484	1,683,486	1,494,741	1,580,484
Revenue Received in Advance	13	1,743,754	1,185,950	912,090	1,743,754	1,185,950	912,090
Provision for Cyclical Maintenance	14	401,547	533,914	-	401,547	533,914	-
Painting Contract Liability	15	-	-	115,437	-	-	115,437
Finance Lease Liability		94,678	96,065	90,359	94,678	96,065	90,359
Funds held for Capital Works Projects	17	232,680	-	197,499	232,680	-	197,499
Funds held on behalf of CoL Cluster	18	-	-	35,526	-	-	35,526
		4,165,000	3,329,146	2,931,395	4,165,000	3,329,146	2,931,395
<b>Working Capital Surplus/(Deficit)</b>		4,484,347	2,595,460	4,424,783	4,511,616	2,595,460	4,451,774
<b>Non-current Assets</b>							
Property, Plant and Equipment	11	7,374,569	8,258,891	7,775,442	7,374,569	8,258,891	7,775,442
Work in Progress		88,118	-	61,325	88,118	-	61,325
		7,462,687	8,258,891	7,836,767	7,462,687	8,258,891	7,836,767
<b>Non-current Liabilities</b>							
Provision for Cyclical Maintenance	14	619,360	627,914	1,092,793	619,360	627,914	1,092,793
Finance Lease Liability	16	86,730	87,649	172,265	86,730	87,649	172,265
		706,090	715,563	1,265,058	706,090	715,563	1,265,058
<b>Net Assets</b>		11,240,944	10,138,788	10,996,492	11,268,213	10,138,788	11,023,483
<b>Equity:</b>							
Accumulated comprehensive revenue and expense		11,240,944	10,138,788	10,996,492	11,268,213	10,138,788	11,023,483
<b>Total equity</b>		11,240,944	10,138,788	10,996,492	11,268,213	10,138,788	11,023,483

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

**Pakuranga College**  
**Statement of Cash Flows**  
For the year ended 31 December 2022

	Notes	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
<b>Cash flows from Operating Activities</b>							
Government Grants		5,634,934	4,779,078	5,185,372	5,634,934	4,779,078	5,185,372
Locally Raised Funds		666,127	521,043	541,334	666,203	521,043	541,334
International Students		1,520,385	534,220	366,416	1,520,385	534,220	10,137
Goods and Services Tax (net)		24,267	20,625	10,137	24,267	20,625	12,350
Funds administered on Behalf of Third Parties			-	12,350		-	(2,546,347)
Payments to Employees		(2,581,875)	(2,924,056)	(2,546,347)	(2,581,875)	(2,924,056)	(2,608,987)
Payments to Suppliers		(3,525,636)	(2,067,809)	(2,608,988)	(3,525,678)	(2,067,809)	(21,749)
Interest Paid		(18,107)	(10,533)	(21,749)	(18,107)	(10,533)	30,937
Interest Received		49,629	50,285	30,937	49,873	50,285	
Net cash from / (to) the Operating Activities		1,769,724	902,853	969,462	1,770,002	902,853	969,463
<b>Cash flows from Investing Activities</b>							
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	-	-	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(539,202)	(694,484)	(690,083)	(539,202)	(694,484)	(690,083)
Purchase of Investments		(3,000,000)	500,000	-	(2,973,010)	500,000	-
Net cash from / (to) the Investing Activities		(3,539,202)	(194,484)	(690,083)	(3,512,212)	(194,484)	(690,083)
<b>Cash flows from Financing Activities</b>							
Furniture and Equipment Grant		106,154	-	-	106,154	-	-
Finance Lease Payments		(81,216)	(38,802)	(93,477)	(81,216)	(38,802)	(93,477)
Funds Held for Capital Works		-	150,000	218,803	-	150,000	218,803
Painting contract payments		(115,437)	(114,349)	(42,604)	(115,437)	(114,349)	(42,604)
Funds Administered on Behalf of Third Parties		(345)	-		(345)	-	
Net cash from / (to) Financing Activities		(90,844)	(3,151)	82,722	(90,844)	(3,151)	82,722
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,860,322)</b>	<b>705,218</b>	<b>362,101</b>	<b>(1,833,054)</b>	<b>705,218</b>	<b>362,102</b>
Cash and cash equivalents at the beginning of the year	7	4,182,763	1,524,957	3,820,662	4,182,764	1,524,957	3,820,662
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>2,322,441</b>	<b>2,230,175</b>	<b>4,182,763</b>	<b>2,349,710</b>	<b>2,230,175</b>	<b>4,182,764</b>

The Consolidated 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 omitted.

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



# **Pakuranga College**

## **Notes to the Group Financial Statements**

### **For the year ended 31 December 2022**

#### **1. Statement of Accounting Policies**

##### **a) Reporting Entity**

Pakuranga College 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 Pakuranga College (the 'Group') consists of Pakuranga College and its subsidiary trust. The subsidiary is a School Trust ('Trust') which supports the school by raising funds and making donations for the school.

The School's subsidiary is incorporated and domiciled in New Zealand.

##### **b) Basis of Preparation**

###### ***Reporting Period***

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

###### ***Basis of Consolidation***

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the group on a line-by-line basis. All intra-group balances, transactions, revenue, and expenses are eliminated on consolidation.

###### ***Subsidiaries***

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed, or has rights, to variable benefits from its involvement with the other entity and has the ability to affect the nature or amount of those benefits through its power over the other entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in surplus or deficit. Any interest retained in the former subsidiary is measured at fair value when control is lost.

###### ***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 consolidated 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 Group 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 Group qualifies for Tier 2 as the group is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

###### ***Measurement Base***

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

###### ***Presentation Currency***

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

**Critical Judgements in applying accounting policies**

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

*Classification of leases*

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 23.

*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.

*Consolidation of entities*

The Group consolidates entities based on whether the School has established control of the subsidiary. The subsidiaries which are controlled are disclosed at Note 26.

**c) Revenue Recognition****Government Grants**

The Group 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 Group 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 Group has the rights to the funding in the salary period they relate to. The grants are not received in cash by the Group 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. These 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.

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 Group 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. Interest revenue is accrued using the effective interest method.

#### **d) Operating Lease Payments**

Payments made under operating leases are recognised in the Consolidated 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 Consolidated 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.

The Group has met the requirements of Section 154 (2)(b)(ii) of the Education and Training Act 2020 in relation to the acquisition of investment securities.

**j) Property, Plant and Equipment**

Land and buildings owned by the Crown are excluded from these consolidated 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 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 Consolidated 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 Consolidated Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Buildings and improvements	50 years
Furniture and equipment	10 years
Ground improvement	20 years
Information and communication technology	3 years
Motor vehicles	5 years
Music equipment	20 years
Sports equipment	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

**k) Accounts Payable**

Accounts Payable represents liabilities for goods and services provided to the Group 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.

**l) Employee Entitlements**

*Short-term employee entitlements*

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

*Long-term employee entitlements*

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

**m) Revenue Received in Advance**

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

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

**n) 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.

**o) Provision for Cyclical Maintenance**

The property from which the Group 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 Group sites in a state of good order and repair.

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

**p) Financial Instruments**

The Group's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets 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 group 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 Group'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.

**q) Goods and Services Tax (GST)**

The consolidated 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 consolidated statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

**r) Budget Figures**

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

**s) Services received in-kind**

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

## 2. Government Grants

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	4,213,438	4,177,622	4,187,582	4,213,438	4,177,622	4,187,582
Teachers' Salaries Grants	12,447,919	12,040,000	12,318,389	12,447,919	12,040,000	12,318,389
Use of Land and Buildings Grants	3,143,165	2,885,038	2,885,038	3,143,165	2,885,038	2,885,038
Other Government Grants	1,370,996	601,456	1,116,231	1,370,996	601,456	1,116,231
	<b>21,175,518</b>	<b>19,704,116</b>	<b>20,507,240</b>	<b>21,175,518</b>	<b>19,704,116</b>	<b>20,507,240</b>

The school has opted in to the donations scheme for this year. Total amount received was \$304,950.

## 3. Locally Raised Funds

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

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>						
Donations and Bequests	20,174	42,000	33,190	20,250	42,000	60,190
Fundraising & Community Grants	30,000	-	24,422	30,000	-	24,422
Curriculum related activities - Purchase of goods and services	21,779	8,594	7,513	21,779	8,594	7,513
Other Revenue	53,883	-	-	53,883	-	-
Trading	179,327	152,056	148,423	179,327	152,056	148,423
Fees for Extra Curricular Activities	405,613	310,893	331,468	405,613	310,893	331,468
International Student Fees	804,505	534,219	923,993	804,505	534,219	923,993
	<b>1,515,281</b>	<b>1,047,762</b>	<b>1,469,009</b>	<b>1,515,357</b>	<b>1,047,762</b>	<b>1,496,009</b>
<b>Expenses</b>						
Extra Curricular Activities costs	510,315	610,057	450,899	510,315	610,057	450,899
Trading	37,869	23,500	35,489	37,869	23,500	35,489
International Student - Student Recruitment	2,895	5,000	497	2,895	5,000	497
International Student - Employee Benefit - Salaries	193,551	157,856	162,646	193,551	157,856	162,646
International Student - Other Expenses	182,583	141,461	152,630	182,583	141,461	152,630
	<b>927,213</b>	<b>937,874</b>	<b>802,161</b>	<b>927,213</b>	<b>937,874</b>	<b>802,161</b>
<b>Surplus for the year Locally raised funds</b>	<b>588,068</b>	<b>109,888</b>	<b>666,848</b>	<b>588,144</b>	<b>109,888</b>	<b>693,848</b>

During the year the School hosted 47.5 International students (2021:60)

## 4. Learning Resources

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	568,862	583,422	508,040	568,862	583,422	508,040
Equipment Repairs	14,030	18,370	9,292	14,030	18,370	9,292
Information and Communication Technology	237,531	252,113	242,951	237,531	252,113	242,951
Extracurricular Activities	151,160	54,017	145,096	151,160	54,017	145,096
Library Resources	7,230	11,520	7,787	7,230	11,520	7,787
Employee Benefits - Salaries	13,996,298	14,004,958	13,828,751	13,996,298	14,004,958	13,828,751
Staff Development	80,175	89,500	51,196	80,175	89,500	51,196
Depreciation	778,405	800,000	793,075	778,405	800,000	793,075
	<b>15,833,691</b>	<b>15,813,900</b>	<b>15,586,188</b>	<b>15,833,691</b>	<b>15,813,900</b>	<b>15,586,188</b>

## 5. Administration

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	13,340	13,340	12,950	13,340	13,340	12,950
Board Fees	5,160	6,000	4,545	5,160	6,000	4,545
Board Expenses	18,850	11,274	31,296	18,850	11,274	31,296
Communication	39,626	41,550	31,714	39,626	41,550	31,714
Consumables	13,699	3,372	(21,816)	13,699	3,372	(21,816)
Legal Fees	10,259	10,000	8,396	10,259	10,000	8,396
Other	88,717	66,726	63,265	88,759	66,726	63,274
Employee Benefits - Salaries	676,221	597,087	590,055	676,221	597,087	590,055
Insurance	45,396	46,626	50,969	45,396	46,626	50,969
	<b>911,268</b>	<b>795,975</b>	<b>771,374</b>	<b>911,310</b>	<b>795,975</b>	<b>771,383</b>

## 6. Property

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	326,703	318,672	301,069	326,703	318,672	301,069
Cyclical Maintenance Provision	(27,341)	124,500	515,468	(27,341)	124,500	515,468
Grounds	118,999	130,258	113,525	118,999	130,258	113,525
Heat, Light and Water	265,071	250,000	227,087	265,071	250,000	227,087
Repairs and Maintenance	831,310	293,775	349,556	831,310	293,775	349,556
Use of Land and Buildings	3,143,165	2,885,038	2,885,038	3,143,165	2,885,038	2,885,038
Security	16,893	19,000	23,764	16,893	19,000	23,764
Employee Benefits - Salaries	153,033	155,067	153,711	153,033	155,067	153,711
	<u>4,827,833</u>	<u>4,176,310</u>	<u>4,569,218</u>	<u>4,827,833</u>	<u>4,176,310</u>	<u>4,569,218</u>

The use of land and buildings figure represents 5% of the Group's total property value. This is used as a 'proxy' for the market rental of the property. 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 \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	2,322,441	2,230,175	4,182,763	2,349,710	2,230,175	4,182,764
Cash equivalents and bank overdraft for Consolidated Cash Flow Statement	<u>2,322,441</u>	<u>2,230,175</u>	<u>4,182,763</u>	<u>2,349,710</u>	<u>2,230,175</u>	<u>4,182,764</u>

Of the \$2,322,441 Cash and Cash Equivalents, \$232,680 is held by the Group on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2021 on Crown owned Group buildings.

Of the \$2,322,441 Cash and Cash Equivalents, \$84,560 of unspent grant funding is held by the Group. 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 \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	147,106	23,520	37,173	147,106	23,520	37,173
Interest Receivable	54,966	4,104	4,104	54,966	4,104	4,104
Teacher Salaries Grant Receivable	1,061,404	1,062,807	1,042,865	1,061,404	1,062,807	1,042,865
	<u>1,263,476</u>	<u>1,090,431</u>	<u>1,084,142</u>	<u>1,263,476</u>	<u>1,090,431</u>	<u>1,084,142</u>
Receivables from Exchange Transactions	202,072	27,624	41,277	202,072	27,624	41,277
Receivables from Non-Exchange Transactions	1,061,404	1,062,807	1,042,865	1,061,404	1,062,807	1,042,865
	<u>1,263,476</u>	<u>1,090,431</u>	<u>1,084,142</u>	<u>1,263,476</u>	<u>1,090,431</u>	<u>1,084,142</u>

## 9. Inventories

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	1,933	4,000	10,715	1,933	4,000	10,715
	<u>1,933</u>	<u>4,000</u>	<u>10,715</u>	<u>1,933</u>	<u>4,000</u>	<u>10,715</u>

Write-downs of inventory to net realisable value amounted to \$5,938 (2021: Nil).

## 10. Investments

The Group and School's investments are classified as follows:

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset						
Short-term Bank Deposits	5,000,000	2,500,000	2,000,000	5,000,000	2,500,000	2,026,990
	<u>5,000,000</u>	<u>2,500,000</u>	<u>2,000,000</u>	<u>5,000,000</u>	<u>2,500,000</u>	<u>2,026,990</u>
Total Investments	<u>5,000,000</u>	<u>2,500,000</u>	<u>2,000,000</u>	<u>5,000,000</u>	<u>2,500,000</u>	<u>2,026,990</u>

**11. Property, Plant and Equipment****GROUP**

	Opening Balance (Net Book Value)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2022</b>						
Buildings and Building Improvements	5,564,990	68,511	(19,705)	-	(141,879)	5,471,917
Furniture and Equipment	1,066,811	149,400	-	-	(192,937)	1,023,274
Grounds Improvements	177,132	-	(3,743)	-	(14,906)	158,483
Information and Communication Technology	358,271	212,909	(1,357)	-	(235,918)	333,905
Motor Vehicles	10,198	-	-	-	(3,464)	6,734
Music Equipment	40,455	18,465	-	-	(3,812)	55,108
Sports Equipment	172,435	26,589	(110,072)	-	(41,316)	47,636
Textbooks	25,939	6,371	-	-	(12,137)	20,173
Leased Assets	227,636	11,582	-	-	(114,428)	124,790
Library Resources	131,575	18,582	-	-	(17,608)	132,549
<b>Balance at 31 December 2022</b>	<b>7,775,442</b>	<b>512,409</b>	<b>(134,877)</b>	<b>-</b>	<b>(778,405)</b>	<b>7,374,569</b>

**GROUP**

	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings and Building Improvements	6,624,646	(1,152,730)	5,471,916	6,585,680	(1,020,690)	5,564,990
Furniture and Equipment	3,173,166	(2,149,892)	1,023,274	3,023,766	(1,956,955)	1,066,811
Grounds Improvements	298,928	(140,444)	158,484	417,364	(240,232)	177,132
Information and Communication Technology	3,238,610	(2,904,704)	333,906	3,122,451	(2,764,180)	358,271
Motor Vehicles	210,854	(204,120)	6,734	210,854	(200,656)	10,198
Music Equipment	175,407	(120,300)	55,107	157,502	(117,047)	40,455
Sports Equipment	196,477	(148,841)	47,636	355,925	(183,490)	172,435
Textbooks	237,387	(217,214)	20,173	231,016	(205,077)	25,939
Leased Assets	677,666	(552,876)	124,790	666,084	(438,448)	227,636
Library Resources	434,340	(301,791)	132,549	415,758	(284,183)	131,575
<b>Balance at 31 December</b>	<b>15,267,481</b>	<b>(7,892,912)</b>	<b>7,374,569</b>	<b>15,186,400</b>	<b>(7,410,958)</b>	<b>7,775,442</b>

**SCHOOL**

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2022</b>						
Buildings and Building Improvements	5,564,990	68,511	(19,705)	-	(141,879)	5,471,917
Furniture and Equipment	1,066,811	149,400	-	-	(192,937)	1,023,274
Grounds Improvements	177,132	-	(3,743)	-	(14,906)	158,483
Information and Communication Technology	358,271	212,909	(1,357)	-	(235,918)	333,905
Motor Vehicles	10,198	-	-	-	(3,464)	6,734
Music Equipment	40,455	18,465	-	-	(3,812)	55,108
Sports Equipment	172,435	26,589	(110,072)	-	(41,316)	47,636
Textbooks	25,939	6,371	-	-	(12,137)	20,173
Leased Assets	227,636	11,582	-	-	(114,428)	124,790
Library Resources	131,575	18,582	-	-	(17,608)	132,549
<b>Balance at 31 December 2022</b>	<b>7,775,442</b>	<b>512,409</b>	<b>(134,877)</b>	<b>-</b>	<b>(778,405)</b>	<b>7,374,569</b>

**SCHOOL**

	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings and Building Improvements	6,624,646	(1,152,730)	5,471,916	6,585,680	(1,020,690)	5,564,990
Furniture and Equipment	3,173,166	(2,149,892)	1,023,274	3,023,766	(1,956,955)	1,066,811
Grounds Improvements	298,928	(140,444)	158,484	417,364	(240,232)	177,132
Information and Communication Technology	3,238,610	(2,904,704)	333,906	3,122,451	(2,764,180)	358,271
Motor Vehicles	210,854	(204,120)	6,734	210,854	(200,656)	10,198
Music Equipment	175,407	(120,300)	55,107	157,502	(117,047)	40,455
Sports Equipment	196,477	(148,841)	47,636	355,925	(183,490)	172,435
Textbooks	237,387	(217,214)	20,173	231,016	(205,077)	25,939
Leased Assets	677,666	(552,876)	124,790	666,084	(438,448)	227,636
Library Resources	434,340	(301,791)	132,549	415,758	(284,183)	131,575
<b>Balance at 31 December</b>	<b>15,267,481</b>	<b>(7,892,912)</b>	<b>7,374,569</b>	<b>15,186,400</b>	<b>(7,410,958)</b>	<b>7,775,442</b>

**12. Accounts Payable**

	2022 Actual	School 2022 Budget (Unaudited)	2021 Actual	2022 Actual	Group 2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$	\$	\$	\$
Creditors	267,829	153,296	197,572	267,829	153,296	197,572
Accruals	213,520	47,638	188,623	213,520	47,638	188,623
Employee Entitlements - Salaries	1,149,006	1,293,807	1,132,688	1,149,006	1,293,807	1,132,688
Employee Entitlements - Leave Accrual	53,131	-	61,601	53,131	-	61,601
	<b>1,683,486</b>	<b>1,494,741</b>	<b>1,580,484</b>	<b>1,683,486</b>	<b>1,494,741</b>	<b>1,580,484</b>



Payables for Exchange Transactions	1,683,486	1,494,741	1,580,484	1,683,486	1,494,741	1,580,484
	<u>1,683,486</u>	<u>1,494,741</u>	<u>1,580,484</u>	<u>1,683,486</u>	<u>1,494,741</u>	<u>1,580,484</u>

The carrying value of payables approximates their fair value.

### 13. Revenue Received in Advance

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Grants in Advance - Ministry of Education	86,561	38,124	36,061	86,561	38,124	36,061
International Student Fees in Advance	1,529,627	1,147,826	813,747	1,529,627	1,147,826	813,747
Other revenue in Advance	127,566	-	62,282	127,566	-	62,282
	<u>1,743,754</u>	<u>1,185,950</u>	<u>912,090</u>	<u>1,743,754</u>	<u>1,185,950</u>	<u>912,090</u>

### 14. Provision for Cyclical Maintenance

	2022 Actual \$	School and Group 2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	1,092,793	1,092,793	647,585
Increase to the Provision During the Year	83,411	69,035	445,208
Use of the Provision During the Year	(155,297)	-	-
Other Adjustments	-	-	-
Provision at the End of the Year	<u>1,020,907</u>	<u>1,161,828</u>	<u>1,092,793</u>
Cyclical Maintenance - Current	401,547	533,914	-
Cyclical Maintenance - Non current	619,360	627,914	1,092,793
	<u>1,020,907</u>	<u>1,161,828</u>	<u>1,092,793</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 Annual Paint Maintenance Plan devised by Programmed Property Services NZ Limited.

### 15. Painting Contract Liability

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Due within one year	-	-	115,437	-	-	115,437
	<u>-</u>	<u>-</u>	<u>115,437</u>	<u>-</u>	<u>-</u>	<u>115,437</u>

In June 2008 the Board signed an agreement with Programmed Property Services Limited (the contractor) for an agreed programme of work covering a fourteen year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2008 and 2019, with regular maintenance in subsequent years. The agreement has an annual commitment of \$89,988. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

### 16. Finance Lease Liability

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

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	105,481	104,730	108,002	93,402	104,730	108,002
Later than One Year and no Later than Five Years	92,037	97,199	187,239	86,730	97,199	187,239
Future Finance Charges	(16,110)	(18,215)	(32,617)	(16,082)	(18,215)	(32,617)
	<u>181,408</u>	<u>183,714</u>	<u>262,624</u>	<u>164,050</u>	<u>183,714</u>	<u>262,624</u>
Represented by						
Finance lease liability - Current	94,678	96,065	90,359	93,402	96,065	90,359
Finance lease liability - Non-current	86,730	87,649	172,265	86,730	87,649	172,265
	<u>181,408</u>	<u>183,714</u>	<u>262,624</u>	<u>180,132</u>	<u>183,714</u>	<u>262,624</u>

### 17. Funds Held for Capital Works Projects

During the year the School and Group 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 per note 7.

**School and GROUP**

2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contribution \$	Closing Balances \$
Roofing Replacements	156,441	34,615	193,766	2,710	-
Student Toilet Blocks	54,384	43,000	286,686	189,302	-
Dust Extraction System	(15,154)	15,154	-	-	-
Montroses Box Replacements	7,790	-	7,790	-	-
O Block Window Replacement	27,558	-	32,400	4,842	-
Nelson Blocks Upgrade	(33,520)	329,800	63,600	-	232,680
<b>Totals</b>	<b>197,499</b>	<b>422,569</b>	<b>584,242</b>	<b>196,854</b>	<b>232,680</b>

**Represented by:**

Funds Held on Behalf of the Ministry of Education

232,680 <sup>4</sup>

Funds Receivable from the Ministry of Education

-

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contribution \$	Closing Balances \$
Library Temperzone Unit	(4,572)	65,640	61,068	-	-
Roofing Replacements	(1,240)	250,000	92,319	-	156,441
Student Toilet Blocks	(12,586)	388,550	321,580	-	54,384
Dust Extraction System	(581)	54,000	68,574	-	(15,154)
Montroses Box Replacements	(581)	94,050	85,679	-	7,790
O Block Window Replacement	(1,744)	216,000	186,698	-	27,558
Nelson Blocks Upgrade	-	-	33,520	-	(33,520)
<b>Totals</b>	<b>(21,304)</b>	<b>1,068,240</b>	<b>849,438</b>	<b>-</b>	<b>197,499</b>

**Represented by:**

Funds Held on Behalf of the Ministry of Education

197,499

Funds Receivable from the Ministry of Education

-

**18. Funds Held on Behalf of Cluster**

Pakuranga College is the lead school and holds funds on behalf of the cluster, a group of schools funded by the Ministry.

**School and GROUP**

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Funds Held at Beginning of the Year	\$ 35,526	\$ -	\$ 23,176
Funds Received from Cluster Members	-	-	41,604
Funds Received from MoE	-	-	-
<b>Total funds received</b>	<b>35,526</b>	<b>-</b>	<b>64,780</b>
Funds Spent on Behalf of the Cluster	35,526	-	29,254
<b>Funds remaining</b>	<b>-</b>	<b>-</b>	<b>35,526</b>
Distribution of Funds			
Pakuranga College	-	-	17,764
Farm Cove Intermediate	-	-	8,881
Sunnyhills School	-	-	8,881
<b>Funds Held at Year End</b>	<b>-</b>	<b>-</b>	<b>35,526</b>

**19. Related Party Transactions**

The Group is a controlled entity of the Crown, and the Crown provides the major source of revenue to the Group. The Group 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 Group 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 Group would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

**20. Remuneration***Key management personnel compensation (School and Group)*

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

	2022 Actual \$	2021 Actual \$
<i>Board Members - School</i>		
Remuneration	5,040	4,545
<i>Leadership Team</i>		
Remuneration	937,390	792,758
Full-time equivalent members	7	6
<b>Total key management personnel remuneration</b>	<b>942,430</b>	<b>797,303</b>

There are nine members of the Board excluding the Principal. The Board had held eight full meetings of the Board in the year. The Board also has three Finance and Property members that meet ten times per year. As well as these regular meetings, including preparation time, the Chair 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	260-270	270-280
Benefits and Other Emoluments	15-20	20-25

#### 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	20.00	25.00
110-120	10.00	9.00
120-130	1.00	1.00
	<u>31.00</u>	<u>35.00</u>

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

## 21. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be 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:

School and GROUP	2022 Actual \$0	2021 Actual \$0
Total Number of People	0	-

## 22. 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 school 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.

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides and support staff employed in 2022. The Ministry is in the process of determining the amount of the final wash up calculation for the year ended 31 December 2022 and the impact of the final calculation on the financial statements is unable to be determined at the date of reporting. The School has therefore not recognised this wash up in its financial statements. The wash up is expected to be completed in July 2023.

## 23. Commitments

### (a) Capital Commitments

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

- (a) \$978,231 window replacement project to be completed in 2023, \$926,000 is funded by the Ministry of Education and \$400,000 by the College. \$329,800 has been received of which \$97,120 has been spent on the project to date; and
- (b) \$229,288 contract for 2023 ICT Development Plan with New Era IT; and
- (c) \$44,990 contract to supply and install Autex with Acoustic Solutions Store. \$22,495 has been spent on the project to balance date.
- (d) \$242,013 contract to supply and install an artificial turf with TigerTurf New Zealand Limited. \$63,134 has been spent on the project to balance date.

(Capital commitments at 31 December 2021: \$854,422)

### (b) Operating Commitments      School and GROUP

As at 31 December 2022 the Board has entered into the following contracts:

- (a) operating lease with Interleasing Limited;

	2022 Actual \$	2021 Actual \$
No later than One Year	4,360	13,095
Later than One Year and No Later than Five Years	-	2,983
	<u>4,360</u>	<u>16,078</u>

The total lease payments incurred during the period were \$13,095 (2021: \$13,095).

## 24. Financial Instruments

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

Financial assets measured at amortised cost

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	2,322,441	2,230,175	4,182,763	2,349,710	2,230,175	4,182,764
Receivables	1,263,476	1,090,431	1,084,142	1,263,476	1,090,431	1,084,142
Investments - Term Deposits	5,000,000	2,500,000	2,000,000	5,000,000	2,500,000	2,026,990
Total Financial Assets Measured at Amortised Cost	8,585,917	5,820,606	7,266,905	8,613,186	5,820,606	7,293,896

Financial liabilities measured at amortised cost

Payables	1,683,486	1,494,741	1,580,484	1,683,486	1,494,741	1,580,484
Finance Leases	181,408	183,714	262,624	181,408	183,714	262,624
Painting Contract Liability	-	-	115,437	-	-	115,437
Total Financial Liabilities Measured at Amortised Cost	1,864,894	1,678,455	1,958,545	1,864,894	1,678,455	1,958,545

25. Events After Balance Date

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.

26. Investment in Subsidiaries

Details of the Group's material subsidiaries at the end of the reporting period are as follows.

Name of Subsidiary	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the		Value of investment \$000	
			2022	2021	2022	2021
Pakuranga College Foundation Trust	Raising Funds	Auckland, New Zealand	100%	100%	-	-

All subsidiaries have 31 December balance dates, are 100% owned by the School, and are incorporated and domiciled in New Zealand.

The School controls the Trust for financial reporting purposes because, in substance, the school predetermined the objectives of the Trust at establishment and benefits from the Trust's complementary activities.

The Trust is a registered charity. Under its constitution, the company is prohibited from paying dividends (or similar distributions) to the School.

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## Independent Auditor's Report

### To the readers of Pakuranga College's Financial statements For the year ended 31 December 2022

The Auditor-General is the auditor of Pakuranga College ('the Parent') and its controlled entity (collectively referred to as 'the Group'). The Auditor-General has appointed me, Elaine Yong, using the staff and resources of RSM Hayes Audit, to carry out the audit of the financial statements of the Parent and Group on his behalf.

### Opinion

We have audited the financial statements of the Parent and Group on pages 2 to 17, that comprise the statements of financial position as at 31 December 2022, the statements of comprehensive revenue and expense, statements of changes in net assets/equity and statements 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 Parent and Group:

- present fairly, in all material respects:
  - their financial position as at 31 December 2022; and
  - their 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 (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 19 May 2023. 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 of 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 Parent and Group for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

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 Parent and Group 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 Parent and Group, 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 Parent and Group'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 Parent and Group'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 Parent and Group'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 of Trustees is responsible for the other information. The other information includes the statement of responsibility, board member list, analysis of variance, Kiwisport and Equipment Employment Opportunities, 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 Group 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 Pakuranga College or its controlled entity.

A handwritten signature in blue ink, appearing to read 'Elaine Yong'.

**Elaine Yong**  
RSM Hayes Audit  
On behalf of the Auditor-General  
Auckland, New Zealand