

TE AO MARAMA SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 780

Principal: Tony Grey

School Address: 33 Hare Puke Drive, Flagstaff, Hamilton

School Postal Address: 33 Hare Puke Drive, Flagstaff, Hamilton

School Phone: 07 5950595

School Email: office@teaomarama.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Andrew Corkill	Presiding Member	Elected	Jun-22
Tony Grey	Principal ex Officio	ex Officio	
Heemi McDonald	Parent Representative	Elected	Jun-22
Alfred Lino	Parent Representative	Elected	Jun-22
Emma Burman	Parent Representative	Elected	Jun-22
Ihipera Heke Sweet	Parent Representative	Co-opted	Jun-22
Dawn Gibbs	Parent Representative	Elected	Jun-22
Frank Young	Staff Representative	Elected	Jun-22

Accountant / Service Provider: SRN Partners Chartered Accountants Limited

TE AO MARAMA SCHOOL

Annual Report - For the year ended 31 December 2021

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Te Ao Marama School

Statement of Responsibility

For the year ended 31 December 2021

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2021 fairly reflects the financial position and operations of the school.

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

Andrew Corhill

Full Name of Presiding Member

Tony Grey

Full Name of Principal

[Signature]

Signature of Presiding Member

[Signature]

Signature of Principal

2/8/22

Date:

26/07/22

Date:

Te Ao Marama School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	4,316,806	4,151,500	4,944,797
Locally Raised Funds	3	160,412	109,000	150,327
Interest Income		6,434	6,500	7,914
International Students	4	-	-	28,521
		<u>4,483,652</u>	<u>4,267,000</u>	<u>5,131,559</u>
Expenses				
Locally Raised Funds	3	46,070	5,500	37,928
International Students	4	3,946	4,000	1,998
Learning Resources	5	2,691,511	2,834,800	2,342,709
Administration	6	179,891	191,250	153,612
Finance		3,771	-	4,943
Property	7	1,281,113	1,250,000	2,038,745
Depreciation	12	99,973	10,000	79,936
		<u>4,306,275</u>	<u>4,295,550</u>	<u>4,659,871</u>
Net Surplus / (Deficit) for the year		177,377	(28,550)	471,688
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>177,377</u></u>	<u><u>(28,550)</u></u>	<u><u>471,688</u></u>

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



Te Ao Marama School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		1,094,476	1,094,476	620,913
Total comprehensive revenue and expense for the year		177,377	(28,550)	471,688
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	1,875
Equity at 31 December		1,271,853	1,065,926	1,094,476
Retained Earnings		1,271,853	1,065,926	1,094,476
Reserves		-	-	-
Equity at 31 December		1,271,853	1,065,926	1,094,476

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.



Te Ao Marama School

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	8	23,247	23,000	59,882
Accounts Receivable	9	264,331	231,000	317,899
GST Receivable		20,934	20,000	27
Prepayments		85,999	86,000	667
Inventories	10	2,103	2,000	887
Investments	11	732,677	673,926	669,447
		1,129,291	1,035,926	1,048,809
Current Liabilities				
Accounts Payable	13	205,514	230,800	204,776
Revenue Received in Advance	14	241	700	11,409
Finance Lease Liability	15	19,134	20,000	18,044
		224,889	251,500	234,229
Working Capital Surplus/(Deficit)		904,402	784,426	814,580
Non-current Assets				
Property, Plant and Equipment	12	392,362	301,500	308,145
		392,362	301,500	308,145
Non-current Liabilities				
Finance Lease Liability	15	24,911	20,000	28,249
		24,911	20,000	28,249
Net Assets		1,271,853	1,065,926	1,094,476
Equity		1,271,853	1,065,926	1,094,476

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



Te Ao Marama School

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		809,943	1,648,976	620,610
Locally Raised Funds		158,915	107,700	149,155
International Students		-	-	28,521
Goods and Services Tax (net)		(20,906)	(20,000)	3,722
Payments to Employees		(358,625)	(414,500)	(44,034)
Payments to Suppliers		(380,072)	(358,250)	(243,637)
Interest Paid		(3,771)	-	(4,943)
Interest Received		6,079	4,500	7,202
Net cash from/(to) Operating Activities		211,563	968,426	516,596
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(165,102)	(311,500)	(78,526)
Purchase of Investments		(63,229)	(333,808)	(517,843)
Net cash from/(to) Investing Activities		(228,331)	(645,308)	(596,369)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	1,875
Finance Lease Payments		(19,863)	40,000	(16,084)
Net cash from/(to) Financing Activities		(19,863)	40,000	(14,209)
Net increase/(decrease) in cash and cash equivalents		(36,631)	363,118	(93,982)
Cash and cash equivalents at the beginning of the year	8	59,882	59,882	153,864
Cash and cash equivalents at the end of the year	8	23,247	423,000	59,882

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.



Te Ao Marama School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Te Ao Marama 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.

The Crown has entered into a Public Private Partnership with ShapED. As part of the PPP, the land from which the school provides education is owned by the Crown and the buildings from which the school provides education are owned by ShapED. The Crown has an obligation under the PPP to meet the cost of leasing the buildings from ShapED.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

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 12.

Critical Judgements in applying accounting policies

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



Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. 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 and ShapED.

Other Grants

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

Donations, Gifts and Bequests

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

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

d) Operating Lease Payments

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

e) Use of Land and Buildings Expense

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

The Crown has entered into a Public Private Partnership with ShapED. As part of the PPP, the land from which the school provides education is owned by the Crown and the buildings from which the school provides education are owned by ShapED. The Crown has an obligation under the PPP to meet the cost of leasing the buildings from ShapED. The Ministry of Education pays all outgoings to ShapED. The School's use of ShapED. The School's use of the land and buildings is as an occupant and the amount paid by the Ministry is journaled as an income grant and a non-cash expense.

f) 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.

g) 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.

h) Accounts Receivable"

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

i) Inventories"

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



j) 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.

k) Property, Plant and Equipment and ShapED

Land and buildings owned by the Crown and ShapED are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

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

l) Impairment of property, plant, and equipment and intangible assets"

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

Non cash generating assets

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

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

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

The reversal of an impairment loss is recognised in the surplus or deficit.

m) 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.

n) 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.



o) Revenue Received in Advance"

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

p) Financial Instruments"

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

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

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

q) Borrowings"

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

r) Goods and Services Tax (GST)"

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

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

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures "

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

t) Services received in-kind"

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



2. Government Grants

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Operational Grants	509,892	466,000	455,045
Teachers' Salaries Grants	2,297,192	2,300,000	2,218,577
Use of Land and Buildings Grants	1,279,427	1,250,000	2,037,269
Other MoE Grants	223,718	135,500	161,043
Establishment Grant	-	-	69,283
Other Government Grants	6,577	-	3,580
	<u>4,316,806</u>	<u>4,151,500</u>	<u>4,944,797</u>

3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Revenue			
Donations & Bequests	45,162	39,000	49,264
Fees for Extra Curricular Activities	40,080	12,500	28,702
Trading	16,883	7,500	20,462
Other Revenue	58,287	50,000	51,899
	<u>160,412</u>	<u>109,000</u>	<u>150,327</u>
Expenses			
Extra Curricular Activities Costs	28,730	-	16,428
Trading	17,340	5,500	21,500
	<u>46,070</u>	<u>5,500</u>	<u>37,928</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>114,342</u>	<u>103,500</u>	<u>112,399</u>

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
	1	1	2
International Student Roll			
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Expenses			
Other Expenses	3,946	4,000	1,998
	<u>3,946</u>	<u>4,000</u>	<u>1,998</u>
<i>Surplus/ (Deficit) for the year International Students</i>	<u>(3,946)</u>	<u>(4,000)</u>	<u>26,523</u>



5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	110,733	111,000	98,887
Information and Communication Technology	16,784	58,000	22,398
Library Resources	744	4,000	877
Employee Benefits - Salaries	2,524,218	2,616,300	2,171,963
Staff Development	39,032	45,500	48,584
	<u>2,691,511</u>	<u>2,834,800</u>	<u>2,342,709</u>

6. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	6,160	5,600	5,600
Board Fees	3,295	4,000	3,240
Board Expenses	6,072	5,500	4,128
Communication	2,800	2,500	2,525
Consumables	24,099	38,700	16,669
Other	18,905	27,450	19,011
Employee Benefits - Salaries	113,560	102,000	96,569
Service Providers, Contractors and Consultancy	5,000	5,500	5,870
	<u>179,891</u>	<u>191,250</u>	<u>153,612</u>

7. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Repairs and Maintenance	1,686	-	1,476
Use of Land and Buildings	1,279,427	1,250,000	2,037,269
	<u>1,281,113</u>	<u>1,250,000</u>	<u>2,038,745</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021,

The use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	23,247	23,000	59,500
Short-term Bank Deposits	-	-	382
Cash and cash equivalents for Statement of Cash Flows	<u>23,247</u>	<u>23,000</u>	<u>59,882</u>

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



9. Accounts Receivable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Receivables	2,041	2,000	11,712
Receivables from the Ministry of Education	30,977	-	-
Interest Receivable	2,179	2,000	1,824
Banking Staffing Underuse	47,632	47,000	148,364
Teacher Salaries Grant Receivable	181,502	180,000	155,999
	<u>264,331</u>	<u>231,000</u>	<u>317,899</u>
Receivables from Exchange Transactions	4,220	4,000	13,536
Receivables from Non-Exchange Transactions	260,111	227,000	304,363
	<u>264,331</u>	<u>231,000</u>	<u>317,899</u>

10. Inventories

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
School Uniforms	2,103	2,000	887
	<u>2,103</u>	<u>2,000</u>	<u>887</u>

11. Investments

The School's investment activities are classified as follows:

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	732,677	673,926	669,447
Total Investments	<u>732,677</u>	<u>673,926</u>	<u>669,447</u>



12. Property, Plant and Equipment

2021	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Furniture and Equipment	81,780	136,562	-	-	(20,244)	198,098
Information and Communication Technology	173,570	24,492	-	-	(57,506)	140,556
Leased Assets	45,587	17,615	-	-	(20,632)	42,570
Library Resources	7,208	5,521	-	-	(1,591)	11,138
Balance at 31 December 2021	308,145	184,190	-	-	(99,973)	392,362

The following note can be used for each class of asset that are held under a finance lease:

The net carrying value of equipment held under a finance lease is \$42,570 (2020: \$45,587)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Furniture and Equipment	234,826	(36,727)	198,099	98,262	(16,482)	81,780
Information and Communication T	296,656	(156,099)	140,557	272,163	(98,593)	173,570
Leased Assets	93,845	(51,277)	42,568	76,231	(30,644)	45,587
Library Resources	14,667	(3,529)	11,138	9,146	(1,938)	7,208
Balance at 31 December	639,994	(247,632)	392,362	455,802	(147,657)	308,145

13. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	9,969	37,000	17,568
Accruals	10,188	10,000	9,315
Employee Entitlements - Salaries	181,502	180,000	175,447
Employee Entitlements - Leave Accrual	3,855	3,800	2,446
	205,514	230,800	204,776
Payables for Exchange Transactions	205,514	230,800	204,776
	205,514	230,800	204,776

The carrying value of payables approximates their fair value.



14. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Other revenue in Advance	241	700	11,409
	<u>241</u>	<u>700</u>	<u>11,409</u>

15. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	22,093	22,000	21,311
Later than One Year and no Later than Five Years	26,602	22,000	31,365
Future Finance Charges	(4,650)	(4,000)	(6,384)
	<u>44,045</u>	<u>40,000</u>	<u>46,293</u>
Represented by			
Finance lease liability - Current	19,134	20,000	18,044
Finance lease liability - Term	24,911	20,000	28,249
	<u>44,045</u>	<u>40,000</u>	<u>46,293</u>

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.

	2021 Actual \$	2020 Actual \$
<i>Board Members</i> Remuneration	3,295	3,240
<i>Leadership Team</i> Remuneration Full-time equivalent members	402,346 3	381,908 3
Total key management personnel remuneration	405,641	385,148

There are 7 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance 3 members that meet monthly. 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:

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160-170	150-160
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100-110	3.00	1.00
110-120	2.00	2.00
	5.00	3.00

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:

	2021 Actual	2020 Actual
Total Number of People		-



19. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

20. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has not entered into any contract agreements

(Capital commitments at 31 December 2020: \$Nil)

(b) Operating Commitments

As at 31 December 2021 the Board has entered into the following contracts:

(a) operating lease of a coffee machine;

	2021 Actual \$	2020 Actual \$
No later than One Year	2,200	-
Later than One Year and No Later than Five Years	5,000	-
	<u>7,200</u>	<u>-</u>

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	23,247	23,000	59,882
Receivables	264,331	231,000	317,899
Investments - Term Deposits	732,677	673,926	669,447
Total Financial assets measured at amortised cost	<u>1,020,255</u>	<u>927,926</u>	<u>1,047,228</u>

Financial liabilities measured at amortised cost

Payables	205,514	230,800	204,776
Finance Leases	44,045	40,000	46,293
Total Financial Liabilities Measured at Amortised Cost	<u>249,559</u>	<u>270,800</u>	<u>251,069</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.

24. Breach of Law - Failure to meet Statutory Reporting Deadline

The Board did not comply with section 87A(1) of the Education Act 1989 in that it did not submit its annual financial statements for audit by 31 March 2022.



Te Ao Marama School

Kiwisport Note

For the year ended 31 December 2021

Kiwisport is a government funding initiative to support students' participation in organised sport. In 2021 the school received total Kiwisport funding of \$6,275 excluding GST . This funding was spent on wages for the Sports Co-ordinator.