

Pukekohe Intermediate School

Annual Report for the year ended 31 December 2021

Ministry Number:	1452
Principal:	Gary Sweeney
School Address:	Queen Street, Pukekohe, 2120
School Postal Address:	PO Box 768, Pukekohe, 2340
School Phone:	09-2386568
School Email:	principal@pukekoheint.school.nz
Service Provider:	Edtech Financial Services Ltd

Pukekohe Intermediate School
Members of the Board

For the year ended 31 December 2021

Name	Position	How position on Board gained	Occupation	Term expired/expires
Stacey Davis	Presiding Member	Parent Elected	Home Executive	Sep-22
Gary Sweeney	Principal		Principal	
Dave Cockerton	Board Member	Parent Elected	Self Employed	Sep-22
Rob Davis	Board Member	Parent Elected	Unemployed	Sep-22
Laura Anderson	Staff Rep	Staff Elected	Teacher	Sep-22

Pukekohe Intermediate School

Annual Report

For the year ended 31 December 2021

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Pukekohe Intermediate 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.

Stacey Davis

Full Name of Presiding Member

Rebekah Pearson

Full Name of Principal

[Signature]

Signature of Presiding Member

[Signature]

Signature of Principal

30/05/2024

Date:

30/05/2024

Date:

Rebekah Pearson
Principal

BOT

Signature:

David Cockburn

Pukekohe Intermediate School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Revenue				
Government Grants	2	9,786,407	9,137,944	9,233,593
Locally Raised Funds	3	326,010	265,000	225,000
Interest Income		938	2,000	3,236
International Students	4	-	-	2,711
		<u>10,113,355</u>	<u>9,404,944</u>	<u>9,464,540</u>
Expenses				
Locally Raised Funds	3	205,128	137,000	89,979
International Students	4	133	-	9,929
Learning Resources	5	7,902,343	7,149,700	6,983,783
Administration	6	332,315	388,500	376,119
Finance		1,126	7,500	7,990
Property	7	1,508,964	1,639,788	1,710,227
Depreciation	10	168,328	150,000	173,730
Loss on Disposal of Property, Plant and Equipment		17,364	2,000	2,873
		<u>10,135,701</u>	<u>9,474,488</u>	<u>9,354,630</u>
Net Surplus / (Deficit) for the year		(22,346)	(69,544)	109,910
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(22,346)</u>	<u>(69,544)</u>	<u>109,910</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.

Pukekohe Intermediate 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	1,143,814	678,663	1,408,289
Accounts Receivable	9	580,152	509,448	520,290
GST Receivable		1,330	-	-
Prepayments		28,303	13,179	13,178
Funds Held for Capital Works Projects	16	23,686	-	-
		<u>1,777,285</u>	<u>1,201,290</u>	<u>1,941,757</u>
Current Liabilities				
GST Payable		-	5,373	5,336
Accounts Payable	11	667,837	784,820	784,820
Borrowings	12	13,468	65,427	65,427
Revenue Received in Advance	13	66,029	-	88,501
Provision for Cyclical Maintenance	14	170,294	181,126	181,126
Finance Lease Liability	15	14,187	17,959	23,316
Funds Held for Capital Works Projects	16	-	-	231,343
Funds for Resource Teachers of Learning & Behaviour Services	17	213,879	-	174,428
Funds Held on Behalf of Franklin Attendance Cluster	18	104,008	-	142,306
		<u>1,249,702</u>	<u>1,054,705</u>	<u>1,696,603</u>
Working Capital Surplus/(Deficit)		527,583	146,585	245,154
Non-current Assets				
Property, Plant and Equipment	10	627,878	606,926	673,719
		<u>627,878</u>	<u>606,926</u>	<u>673,719</u>
Non-current Liabilities				
Borrowings	12	37,502	-	-
Provision for Cyclical Maintenance	14	231,915	-	-
Finance Lease Liability	15	5,181	6,447	19,764
		<u>274,598</u>	<u>6,447</u>	<u>19,764</u>
Net Assets		<u>880,863</u>	<u>747,064</u>	<u>899,109</u>
Equity		<u>880,863</u>	<u>747,064</u>	<u>899,109</u>
		-	-	-

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

Pukekohe Intermediate School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	2021	2021	2020
Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Balance at 1 January	899,109	-	734,268
Total comprehensive revenue and expense for the year	(22,346)	(69,544)	120,753
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	4,100	816,608	44,088
Equity at 31 December	880,863	747,064	899,109
Retained Earnings	880,863	747,064	899,109
Reserves	-	-	-
Equity at 31 December	880,863	747,064	899,109

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.

Pukekohe Intermediate School

Statement of Cash Flows

For the year ended 31 December 2021

	2021	2021 Budget	2020
Note	Actual	(Unaudited)	Actual
	\$	\$	\$
Cash flows from Operating Activities			
Government Grants	1,700,573	1,462,156	1,632,351
Locally Raised Funds	298,533	192,401	221,112
International Students	-	(15,903)	(78,784)
Goods and Services Tax (net)	(6,726)	(23)	6,234
Funds Administered on Behalf of Third Parties	1,153	(316,734)	238,114
Payments to Employees	(893,498)	(868,000)	(760,230)
Payments to Suppliers	(935,433)	(771,201)	(506,033)
Interest Paid	(1,126)	(7,500)	(7,990)
Interest Received	938	2,000	3,236
Net cash from/(to) Operating Activities	164,414	(322,804)	748,010
Cash flows from Investing Activities			
Proceeds from Sale of Property Plant & Equipment	(17,364)	(22,346)	(2,873)
Purchase of Property Plant & Equipment	(306,866)	(390,293)	(293,396)
Net cash from/(to) Investing Activities	(324,230)	(412,639)	(296,269)
Cash flows from Financing Activities			
Furniture and Equipment Grant	4,100	816,608	44,088
Finance Lease Payments	160,667	302,292	(51,383)
Painting Contract Payments	-	-	-
Loans Received / Repayment of Loans	(14,457)	-	65,427
Funds Administered on Behalf of Third Parties	(254,969)	(224,817)	107,230
Net cash from/(to) Financing Activities	(104,659)	894,083	165,362
Net increase/(decrease) in cash and cash equivalents	(264,475)	158,640	617,103
Cash and cash equivalents at the beginning of the year	8	1,408,289	520,023
Cash and cash equivalents at the end of the year	8	1,143,814	678,663
		1,408,289	

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.

Pukekohe Intermediate School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

Reporting Entity

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

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.

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision of cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.

Pukekohe Intermediate School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

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.

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.

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.

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.

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.

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.

Pukekohe Intermediate School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

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.

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.

Inventories

Inventories are consumable items held for sale and comprise 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.

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.

Property, Plant and Equipment

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

Improvements 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:

Board owned buildings	40 years
Furniture and equipment	3-15 years
Information and communication technology	3-5 years
Leased assets held under a Finance Lease	Term of lease
Library resources	12.5% Diminishing value

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

Impairment of property, plant, and equipment

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 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.

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.

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 twelve 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.

Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of unearned fees in relation to this revenue received in advance, should the School be unable to provide the services to which they relate.

Pukekohe Intermediate School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable. 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.

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.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

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

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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

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

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.

Pukekohe Intermediate School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

2 Government Grants

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	1,381,553	1,252,156	1,315,713
Teachers' Salaries Grants	7,089,951	6,400,000	6,313,060
Use of Land and Buildings Grants	986,644	1,275,788	1,273,788
Other MoE Grants	328,259	200,000	318,943
Other Government Grants	-	10,000	12,089
	<u>9,786,407</u>	<u>9,137,944</u>	<u>9,233,593</u>

The School has opted in to the donations scheme for this year. Total amount received was \$117,300. (2020 : \$107,100 was received)

3 Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	10,693	5,000	13,580
Curriculum related Activities - purchase of goods & services	235,435	147,500	76,683
Trading	28,543	41,000	41,843
Fundraising & Community Grants	51,339	71,500	92,894
	<u>326,010</u>	<u>265,000</u>	<u>225,000</u>
Expenses			
Extra Curricular Activities Costs	181,788	136,000	82,701
Trading	22,675	-	4,776
Fundraising and Community Grant Costs	665	1,000	2,502
	<u>205,128</u>	<u>137,000</u>	<u>89,979</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>120,882</u>	<u>128,000</u>	<u>135,021</u>

4 International Student Revenue and Expenses

	2021	2021	2020
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	0	0	11
Revenue			
International Student Fees	-	-	2,711
Expenses			
Other Expenses	133	-	9,929
	<u>133</u>	<u>-</u>	<u>9,929</u>
<i>Surplus/ (Deficit) for the year International Students</i>	<u>(133)</u>	<u>-</u>	<u>(7,218)</u>

Pukekohe Intermediate School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

5 Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	119,405	160,750	113,160
Equipment Repairs	-	1,500	1,647
Information and Communication Technology	51,249	46,950	51,837
Employee Benefits - Salaries	7,650,536	6,896,000	6,765,826
Staff Development	81,153	44,500	51,313
	<u>7,902,343</u>	<u>7,149,700</u>	<u>6,983,783</u>

6 Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,470	7,500	10,000
Board Fees	2,400	1,200	1,200
Board Expenses	14,703	6,300	7,453
Communication	10,229	9,750	9,471
Consumables	26,918	35,000	43,104
Other	32,121	34,750	39,965
Employee Benefits - Salaries	218,961	270,000	243,192
Insurance	7,739	10,000	9,139
Service Providers, Contractors and Consultancy	12,774	14,000	12,595
	<u>332,315</u>	<u>388,500</u>	<u>376,119</u>

7 Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	17,342	24,800	40,887
Consultancy and Contract Services	93,120	84,000	83,031
Cyclical Maintenance Expense	-	45,000	94,574
Grounds	15,665	17,500	23,326
Heat, Light and Water	36,509	42,700	38,301
Repairs and Maintenance	267,376	48,000	52,629
Use of Land and Buildings	986,644	1,275,788	1,273,788
Employee Benefits - Salaries	92,308	102,000	103,691
	<u>1,508,964</u>	<u>1,639,788</u>	<u>1,710,227</u>

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

8 Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	1,143,814	678,663	1,408,289
Cash and cash equivalents for Statement of Cash Flows	<u>1,143,814</u>	<u>678,663</u>	<u>1,408,289</u>

Of the \$1,143,814 Cash and Cash Equivalents, \$104,008 is held by the School on behalf of the Franklin Attendance cluster. See note 19 for details of how the funding received for the cluster has been spent in the year.

Pukekohe Intermediate School
Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

9 Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	144	8,540	8,539
Receivables from the Ministry of Education	33,482	-	-
Bank Staffing Underuse	-	-	-
Teacher Salaries Grant Receivable	546,526	500,908	500,908
	<u>580,152</u>	<u>509,448</u>	<u>509,447</u>
Receivables from Exchange Transactions	33,626	8,540	8,539
Receivables from Non-Exchange Transactions	546,526	500,908	500,908
	<u>580,152</u>	<u>509,448</u>	<u>509,447</u>

10 Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements	171,819	-	(1,760)	-	(4,512)	165,547
Furniture and Equipment	326,673	64,559	(109)	-	(70,547)	320,576
Information and Communication Technology	66,558	42,142	(1,233)	-	(34,313)	73,154
Motor Vehicles	28,484	-	-	-	(9,766)	18,718
Leased Assets	69,555	33,149	(3,631)	-	(49,190)	49,883
Library Resources	10,630	-	(10,630)	-	-	-
Balance at 31 December 2021	<u>673,719</u>	<u>139,850</u>	<u>(17,363)</u>	<u>-</u>	<u>(168,328)</u>	<u>627,878</u>

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Building Improvements	177,979	(12,432)	165,547	180,464	(8,645)	171,819
Furniture and Equipment	959,678	(639,102)	320,576	901,900	(575,227)	326,673
Information and Communication Technology	319,069	(245,915)	73,154	295,926	(229,368)	66,558
Motor Vehicles	48,830	(30,112)	18,718	48,830	(20,346)	28,484
Leased Assets	136,587	(86,704)	49,883	320,966	(251,411)	69,555
Library Resources	-	-	-	83,721	(73,091)	10,630
Balance at 31 December	<u>1,642,143</u>	<u>(1,014,265)</u>	<u>627,878</u>	<u>1,831,807</u>	<u>(1,158,088)</u>	<u>673,719</u>

The net carrying value of equipment held under a finance lease is \$49,883 (2020: \$69,555).

11 Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	63,359	204,768	210,787
Accruals	25,367	24,915	18,896
Employee Entitlements - Salaries	552,148	528,174	528,174
Employee Entitlements - Leave Accrual	26,963	26,963	26,963
	<u>667,837</u>	<u>784,820</u>	<u>784,820</u>
Payables for Exchange Transactions	667,837	784,820	784,820
	<u>667,837</u>	<u>784,820</u>	<u>784,820</u>

The carrying value of payables approximates their fair value.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

12 Borrowings

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Loans Due in One Year	13,468	65,427	65,427
Loans Due After One Year	37,502	-	-
	<u>50,970</u>	<u>65,427</u>	<u>65,427</u>

The School has borrowings at 31 December 2021 of \$50,970 (31 December 2020 \$65,427). This loan is from the Energy Efficiency and Conservation Authority for the purpose of LED lighting. The loan is unsecured, interest is 2% per annum and the loan is payable with interest in equal instalments of \$3,443.

13 Revenue Received in Advance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance - Ministry of Education	13,400	-	-
International Student Fees in Advance	15,903	-	15,903
Other Revenue in Advance	36,726	-	72,598
	<u>66,029</u>	<u>-</u>	<u>88,501</u>

14 Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	181,126	181,126	86,552
Increase/(decrease) to the Provision During the Year	221,083	45,000	94,574
Use of the Provision During the Year	-	(45,000)	-
Provision at the End of the Year	<u>402,209</u>	<u>181,126</u>	<u>181,126</u>
Cyclical Maintenance - Current	170,294	181,126	181,126
Cyclical Maintenance - Term	231,915	-	-
	<u>402,209</u>	<u>181,126</u>	<u>181,126</u>

15 Finance Lease Liability

The school has entered into a number of finance lease agreements for IT equipment.
Minimum lease payments payable (includes interest portion):

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	14,187	17,959	27,406
Later than One Year and no Later than Five Years	5,181	6,447	7,707
	<u>19,368</u>	<u>24,406</u>	<u>35,113</u>
Represented by			
Finance lease liability - Current	-	17,959	23,316
Finance lease liability - Term	-	6,447	19,764
	<u>-</u>	<u>24,406</u>	<u>43,080</u>

Pukekohe Intermediate School
Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

16 Funds Held for Capital Works Projects

During the year the school received and applied funding from the Ministry of Education for the following capital works projects:

	2021	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Block 12 Sewer Drainage	<i>Completed</i>	1,440	-	-	1,440	-
Boiler Room/LSC Office	<i>In progress</i>	-	-	11,560	-	(11,560)
Drainage/Fire Alarm	<i>Completed</i>	1,157	4,453	2,358	3,252	-
Fitness Trail/Resurfacing	<i>Completed</i>	222,220	29,115	181,260	70,075	-
Window/Roof Replacement	<i>Completed</i>	6,466	-	6,633	(167)	-
SIP - Canopy	<i>In progress</i>	-	-	12,126	-	(12,126)
Totals		231,283	33,568	213,937	74,600	(23,686)

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Due from the Ministry of Education	(23,686)
	(23,686)

	2020	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$	\$	\$
Block 12 Sewer Drainage	<i>In progress</i>	1,440	-	-	-	1,440
Drainage/Fire Alarm	<i>In progress</i>	1,157	-	-	-	1,157
Fitness Trail/Resurfacing	<i>In progress</i>	(5,100)	242,276	14,956	-	222,220
Window/Roof Replacement	<i>In progress</i>	126,556	-	120,090	-	6,466
Totals		124,053	242,276	135,046	-	231,283

17 Funds for Resource Teachers of Learning & Behaviour Services

Pukekohe Intermediate School is the lead school funded by the Ministry of Education to provide the services of Resource Teachers of Learning and Behaviour to its cluster of schools.

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Funds held at beginning of the year	174,428	-	78,620
Revenue			
Teachers' Salary Grant	2,926,283	-	2,386,868
Administration Grant	102,249	-	98,074
Learning Support Funding	184,515	-	182,688
Travel Grant	157,987	-	157,988
Other Revenue	29,441	-	11,866
	3,400,475	-	2,837,484
Total funds available	3,574,903	-	2,916,104
Expenses			
Employee Benefit - Salaries	2,926,283	-	2,386,868
Administration	174,957	-	121,351
Learning Support	64,597	-	87,375
Travel	94,033	-	86,338
Other Expenses	89,538	-	44,529
	3,349,408	-	2,726,461
Purchase of Assets	11,616	-	15,215
Funds Held at Year End	213,879	-	174,428

Pukekohe Intermediate School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

18 Funds Held on Behalf of Franklin Attendance Cluster

Pukekohe Intermediate School is the lead school and holds the funds on behalf of the Franklin Attendance cluster, a group of schools funded by the Ministry to provide attendance support.

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Funds Held at Beginning of the Year	142,306	-	-
Funds Received from MoE	375,008	-	249,178
Funds Spent on Behalf of the Cluster	413,306	-	106,872
Distribution of Funds			
Employee Benefit Salary	181,257	-	65,994
Administration	28,953	-	33,198
Travel	21,514	-	7,213
Other	181,582	-	467
Funds Held at Year End	<u>104,008</u>	<u>-</u>	<u>142,306</u>

These assets and liabilities form part of the school's assets and liabilities and are presented on the school's statement of financial position.

19 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.

Pukekohe Intermediate School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

20 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	2,400	1,200
<i>Leadership Team</i>		
Remuneration	484,778	535,189
Full-time equivalent members	3.00	4.00
Total key management personnel remuneration	487,178	536,389
Total full-time equivalent personnel	3.00	4.05

There are five members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. The Board also has Finance (2 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

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	200-210	200-210
Benefits and Other Emoluments	25-30	0-25
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
120-130	2	-
110-120	2	3
100-110	8	1
	12	4

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

21 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

22 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021.

(Contingent liabilities and assets as at 31 December 2020: nil)

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, 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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

23 Commitments

(a) Capital Commitments

The Board considers there to be no contractual commitments at the above date other than those disclosed in the preceding financial statements and detailed below.

As at 31 December 2021 the Board has entered into no contract agreements for capital works.

(Capital commitments as at 31 December 2020: nil)

(b) Operating Commitments

As at 31 December 2021 the Board has not entered into new contracts.

24 Financial Instruments

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

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	1,143,814	678,663	1,408,289
Receivables	580,152	509,448	509,447
Total Financial assets measured at amortised cost	<u>1,723,966</u>	<u>1,188,111</u>	<u>1,917,736</u>
Financial liabilities measured at amortised cost			
Payables	667,837	784,820	784,820
Borrowings - Loans	50,970	65,427	65,427
Finance Leases	19,368	24,406	43,080
Total Financial Liabilities Measured at Amortised Cost	<u>738,175</u>	<u>874,653</u>	<u>893,327</u>

25 Events After Balance Date

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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

26 COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Reduction in locally raised funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.

Reduction in International students

Under alert levels 4, 3, 2, and 1 International travel is heavily restricted. The school has been unable to welcome and enrol prospective international students which has resulted in a reduction in revenue from student fees & charges from International students and/or Board operated boarding facilities.

27 Failure to meet the statutory reporting deadline

The Board of Trustees did not comply with section 137(1) of the Education and Training Act 2020, which required the Board to provide its audited financial statements to the Ministry of Education by 31 May 2022.