

PETERHEAD SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



School Directory

Ministry Number:	2644
Principal:	Martin Genet
School Address:	10 Peterhead Avenue, Flaxmere Hastings
School Postal Address:	10 Peterhead Avenue, Flaxmere Hastings
School Phone:	(06) 879 8570
School Email:	principal@peterhead.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Herman Ah Kiong	Presiding Member	Elected	Sep 2025
Peleti Tuala Fata	Presiding Member	Elected	Aug 2022
Martin Genet	Principal ex Officio		Dec 2022
Tineka Tuala Fata	Principal ex Officio	Start Jan 2023	
Dene Kire	Member	Re-elected	Sep 2025
Kori Waerea	Member	Selected	Sep 2025
Herman Ah Kiong	Member	Selected	Sep 2025
April MacDonald	Member	Elected	Sep 2025
Cheree Heeney	Member	Elected	Sep 2025
Paul Webb	Member of Staff	Elected	Sep 2025
Tracey O'Sullivan	Member of Staff	Elected	Aug 2022
Brenda Wainohu	Member	Elected	Aug 2022

Accountant / Service Provider:	Eclipse Solutions 4 Schools Ltd
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PETERHEAD SCHOOL

Annual Report - For the year ended 31 December 2022

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Peterhead School

Statement of Responsibility

For the year ended 31 December 2022

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

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

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

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

Full Name of Presiding Member

Full Name of Principal

Signature of Presiding Member

Signature of Principal

Date:

Date:

Peterhead School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	5,173,983	4,775,493	4,819,837
Locally Raised Funds	3	117,612	132,950	131,800
Interest Income		5,460	2,000	2,081
Total Revenue		5,297,055	4,910,443	4,953,718
Expenses				
Locally Raised Funds	3	73,460	69,911	82,804
Learning Resources	4	3,765,997	3,578,086	3,609,717
Administration	5	812,037	676,438	680,482
Finance		5,128	2,168	3,652
Property	6	648,341	597,594	597,999
Other Expenses	7	1,083	1,083	1,083
Loss on Disposal of Property, Plant and Equipment		28,063	-	-
		5,334,109	4,925,280	4,975,737
Net Surplus / (Deficit) for the Year		(37,054)	(14,837)	(22,019)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(37,054)	(14,837)	(22,019)

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

Peterhead School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		696,624	675,000	711,582
Total Comprehensive Revenue and Expense for the Year		(37,054)	(14,837)	(22,019)
Contributions from the Ministry of Education		-	-	7,061
Contribution - Furniture and Equipment Grant		-	-	-
Distribution - Property Project		(26,926)	-	-
Equity at 31 December		632,644	660,163	696,624
Accumulated Comprehensive Revenue and Expense		632,644	660,163	696,624
Reserves		-	-	-
Equity at 31 December		632,644	660,163	696,624

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.

Peterhead School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	8	147,637	153,000	134,837
Accounts Receivable	9	243,395	240,000	233,645
GST Receivable		6,028	18,718	18,833
Prepayments		14,705	18,000	17,606
Inventories	10	4,812	24,000	25,283
Investments	11	118,415	118,000	117,472
Funds Receivable for Capital Works Projects	18	-	-	120,079
		534,992	571,718	667,755
Current Liabilities				
Accounts Payable	14	282,336	320,000	298,160
Revenue Received in Advance	15	26,900	10,000	14,495
Finance Lease Liability	17	48,283	30,000	36,883
Funds Held for Capital Works Projects	18	22,811	-	81,286
		380,330	360,000	430,824
Working Capital Surplus/(Deficit)		154,662	211,718	236,931
Non-current Assets				
Property, Plant and Equipment	12	682,699	640,000	639,505
Intangible Assets	13	3,249	3,500	4,332
		685,948	643,500	643,837
Non-current Liabilities				
Provision for Cyclical Maintenance	16	164,750	165,055	150,492
Finance Lease Liability	17	43,216	30,000	33,652
		207,966	195,055	184,144
Net Assets		632,644	660,163	696,624
Equity		632,644	660,163	696,624

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

Peterhead School

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash Flows from Operating Activities				
Government Grants		2,319,311	1,970,996	2,015,020
Locally Raised Funds		118,059	102,950	147,669
Goods and Services Tax (net)		12,805	638	30,378
Payments to Employees		(1,061,099)	(869,000)	(984,006)
Payments to Suppliers		(1,208,893)	(1,082,165)	(1,065,065)
Interest Paid		(5,128)	(2,168)	(3,652)
Interest Received		2,888	2,000	2,065
Net Cash from/(to) Operating Activities		177,943	123,251	142,409
Cash Flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(115,385)	(160,251)	(128,501)
Purchase of Investments		(943)	-	(926)
Net Cash from/(to) Investing Activities		(116,328)	(160,251)	(129,427)
Cash flows from Financing Activities				
Distribution - Property Project		(26,926)	-	-
Furniture and Equipment Grant		-	-	7,061
Finance Lease Payments		(56,567)	(8,000)	(61,976)
Funds Administered on Behalf of Third Parties		34,678	-	(45,650)
Net Cash from/(to) Financing Activities		(48,815)	(8,000)	(100,565)
Net increase/(decrease) in cash and cash equivalents		12,800	(45,000)	(87,583)
Cash and Cash Equivalents at the Beginning of the Year	8	134,837	198,000	222,420
Cash and Cash Equivalents at the End of the Year	8	147,637	153,000	134,837

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.

Peterhead School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 16.

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. 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 17.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

Other Ministry Grants for directly funded programs are recorded as revenue when the School has the rights to the funding in the period they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

Other Grants where conditions exist

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

Donations, Gifts and Bequests

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

Interest Revenue

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

d) Finance Lease Payments

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

e) Cash and Cash Equivalents

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

f) Accounts Receivable

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

g) 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.

h) 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.

i) Property, Plant and Equipment

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

Improvements (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Buildings & Improvements	5 - 20 years
Furniture & Equipment	10 - 15 years
Information & Communication Technology	4 - 5 years
Motor Vehicles	10 years
Leased Assets	3 - 4 years
Library Resources	12.5% Diminishing value

j) Intangible Assets

Software costs

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

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

k) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

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

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

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

The reversal of an impairment loss is recognised in the surplus or deficit. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

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

n) Revenue Received in Advance

Revenue received in advance relates to fees received from 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.

o) Funds held for Capital works

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

p) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The schools carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

q) Financial Instruments

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

The School's financial liabilities comprise accounts payable and finance lease liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	2,290,132	2,001,583	2,041,715
Teachers' Salaries Grants	2,500,093	2,428,498	2,428,498
Use of Land and Buildings Grants	372,221	342,803	342,803
Other Government Grants	11,537	2,609	6,821
	<u>5,173,983</u>	<u>4,775,493</u>	<u>4,819,837</u>

The school has opted in to the donations scheme for this year. Total amount received was \$78,150.

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	10,293	33,650	35,345
Fees for Extra Curricular Activities	2,829	2,300	2,244
Trading	43,035	55,000	68,992
Fundraising & Community Grants	31,325	-	11,500
Other Revenue	30,130	42,000	13,719
	<u>117,612</u>	<u>132,950</u>	<u>131,800</u>
Expenses			
Extra Curricular Activities Costs	9,945	10,320	4,686
Trading	50,932	55,000	69,426
Fundraising and Community Grant Costs	9,584	-	8,594
Other Locally Raised Funds Expenditure	2,999	4,591	98
	<u>73,460</u>	<u>69,911</u>	<u>82,804</u>
<i>Surplus/ (Deficit) for the Year Locally Raised Funds</i>	<u>44,152</u>	<u>63,039</u>	<u>48,996</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	172,872	165,200	168,171
Equipment Repairs	1,257	5,000	1,719
Information and Communication Technology	21,341	20,500	21,829
Library Resources	13,245	17,800	11,704
Employee Benefits - Salaries	3,376,874	3,172,498	3,236,756
Staff Development	31,823	42,088	22,086
Depreciation	148,585	155,000	147,452
	<u>3,765,997</u>	<u>3,578,086</u>	<u>3,609,717</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	6,667	8,000	10,576
Board Fees	5,126	3,500	3,146
Board Expenses	27,673	14,715	15,876
Communication	6,061	6,000	5,807
Consumables	36,789	34,100	30,778
Healthy School Lunches Programme	562,952	485,179	485,179
Other	17,013	14,200	20,905
Employee Benefits - Salaries	135,284	94,000	91,961
Insurance	6,972	8,500	9,870
Service Providers, Contractors and Consultancy	7,500	8,244	6,384
	<u>812,037</u>	<u>676,438</u>	<u>680,482</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	32,755	30,000	23,815
Consultancy and Contract Services	80,002	79,978	81,839
Cyclical Maintenance Provision	14,258	14,563	17,556
Grounds	2,764	2,000	4,600
Heat, Light and Water	25,211	25,500	25,280
Rates	2,205	2,000	2,087
Repairs and Maintenance	50,338	40,250	33,460
Use of Land and Buildings	372,221	342,803	342,803
Security	12,556	10,500	14,289
Employee Benefits - Salaries	56,031	50,000	52,270
	<u>648,341</u>	<u>597,594</u>	<u>597,999</u>

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

7. Other Expenses

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Amortisation of Intangible Assets	1,083	1,083	1,083
	<u>1,083</u>	<u>1,083</u>	<u>1,083</u>

8. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	147,637	153,000	134,837
Cash and cash equivalents for Statement of Cash Flows	<u>147,637</u>	<u>153,000</u>	<u>134,837</u>

Of the \$147,637 Cash and Cash Equivalents, \$22,811 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

Of the \$147,637 Cash and Cash Equivalents, \$16,937 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

9. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	22,653	30,000	27,632
Receivables from the Ministry of Education	9,320	-	-
Interest Receivable	2,588	-	16
Banking Staffing Underuse	-	-	10,025
Teacher Salaries Grant Receivable	208,834	210,000	195,972
	<u>243,395</u>	<u>240,000</u>	<u>233,645</u>
Receivables from Exchange Transactions	25,241	30,000	27,648
Receivables from Non-Exchange Transactions	218,154	210,000	205,997
	<u>243,395</u>	<u>240,000</u>	<u>233,645</u>

10. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
School Uniforms	4,812	24,000	25,283
	<u>4,812</u>	<u>24,000</u>	<u>25,283</u>

11. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	118,415	118,000	117,472
Total Investments	<u>118,415</u>	<u>118,000</u>	<u>117,472</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Buildings & Improvements	185,607	-	(16,941)	-	(7,836)	160,830
Furniture & Equipment	319,499	57,488	(3,380)	-	(56,914)	316,693
Information & Communication Technology	44,380	26,097	(4,595)	-	(20,817)	45,065
Motor Vehicles	-	54,389	-	-	(4,532)	49,857
Leased Assets	71,590	106,678	(28,432)	-	(56,538)	93,298
Library Resources	18,429	3,625	(3,150)	-	(1,948)	16,956
Balance at 31 December 2022	639,505	248,277	(56,498)	-	(148,585)	682,699

The net carrying value of furniture and equipment held under a finance lease is \$93,298 (2021: \$71,590)

Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings & Improvements	308,300	(147,470)	160,830	340,997	(155,390)	185,607
Furniture & Equipment	949,375	(632,682)	316,693	970,885	(651,386)	319,499
Information & Communication Technology	218,462	(173,397)	45,065	297,834	(253,454)	44,380
Motor Vehicles	54,389	(4,532)	49,857	-	-	-
Leased Assets	154,324	(61,026)	93,298	288,737	(217,147)	71,590
Library Resources	34,911	(17,955)	16,956	64,539	(46,110)	18,429
Balance at 31 December	1,719,761	(1,037,062)	682,699	1,962,992	(1,323,487)	639,505

13. Intangible Assets

The School's Intangible Assets are made up of acquired computer software.

	Acquired software	Internally generated software	Total \$
Cost			
Balance at 1 January 2021	-	-	-
Additions	5,415	-	5,415
Disposals	-	-	-
Balance at 31 December 2021 / 1 January 2022	5,415	-	5,415
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2022	5,415	-	5,415
Accumulated Amortisation and impairment losses			
Balance at 1 January 2021	-	-	-
Amortisation expense	1,083	-	1,083
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2021 / 1 January 2022	1,083	-	1,083
Amortisation expense	1,083	-	1,083
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2022	2,166	-	2,166
Carrying amounts			
At 1 January 2021	-	-	-
At 31 December 2021 / 1 January 2022	4,332	-	4,332
At 31 December 2022	3,249	-	3,249

Restrictions

There are no restrictions over the title of the school's intangible assets, nor are any intangible assets pledged as security for liabilities.

Capital commitments

The amount of contractual commitments for the acquisition of intangible assets is \$nil (2021: \$nil)

14. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	47,874	70,000	79,398
Accruals	7,917	10,000	12,076
Employee Entitlements - Salaries	208,834	230,000	195,972
Employee Entitlements - Leave Accrual	17,711	10,000	10,714
	<u>282,336</u>	<u>320,000</u>	<u>298,160</u>
Payables for Exchange Transactions	282,336	320,000	298,160
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>282,336</u>	<u>320,000</u>	<u>298,160</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Grants in Advance - Ministry of Education	16,937	-	-
Other Revenue in Advance	9,963	10,000	14,495
	<u>26,900</u>	<u>10,000</u>	<u>14,495</u>

16. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	150,492	150,492	139,813
Increase to the Provision During the Year	14,258	14,563	17,556
Use of the Provision During the Year	-	-	(6,877)
Provision at the End of the Year	<u>164,750</u>	<u>165,055</u>	<u>150,492</u>
Cyclical Maintenance - Non current	164,750	165,055	150,492
	<u>164,750</u>	<u>165,055</u>	<u>150,492</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan / Property consultant review.

17. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	48,283	30,000	36,884
Later than One Year and no Later than Five Years	47,943	35,000	35,129
Future Finance Charges	(4,727)	(5,000)	(1,478)
	<u>91,499</u>	<u>60,000</u>	<u>70,535</u>
Represented by			
Finance Lease Liability - Current	48,283	30,000	36,883
Finance Lease Liability - Non current	43,216	30,000	33,652
	<u>91,499</u>	<u>60,000</u>	<u>70,535</u>

18. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 8.

	2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Classroom Upgrade - 211654		(120,079)	103,478	4,366	12,235	-
SIP A Reception Upgrade - 218791		14,416	6,368	(34,405)	13,621	-
SIP Q Install Outdoor Education - 226920		66,870	13,940	(81,880)	1,070	-
LSPM Fencing		-	24,154	(1,343)	-	22,811
Totals		(38,793)	147,940	(113,262)	26,926	22,811

Represented by:

Funds Held on Behalf of the Ministry of Education	22,811
Funds Receivable from the Ministry of Education	-

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Classroom Upgrade - 211654		(31,638)	205,303	(293,744)	-	(120,079)
LSC Upgrade Block Q - 218124		33,132	937	(34,069)	-	-
SIP A Reception Upgrade - 218791		-	57,314	(42,898)	-	14,416
SIP Q Install Outdoor Education - 226920		-	71,060	(4,190)	-	66,870
Toilet Block Upgrade		5,363	-	(5,363)	-	-
Totals		6,857	334,614	(380,264)	-	(38,793)

Represented by:

Funds Held on Behalf of the Ministry of Education	81,286
Funds Receivable from the Ministry of Education	(120,079)

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.

Peleti Tuala-Fata is the operator of La'au & Rakau Trees and is the husband of the school's principal and was a member of the Board of trustees until May 2022. During the 2022 financial year, the school paid La'au & Rakau Trees \$4,480 for arborist work and paid Peleti \$1,200 for second hand furniture.

20. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i> Remuneration	5,126	3,146
<i>Leadership Team</i> Remuneration Full-time equivalent members	404,984 3.00	400,084 3.00
Total key management personnel remuneration	410,110	403,230

There are 7 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. The Board also has Property (2 members) that meet monthly. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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	160 - 170	160 - 170
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	2022 FTE Number	2021 FTE Number
100 - 110	2.00	2.00
110 - 120	1.00	1.00
120 - 130	1.00	1.00
	4.00	4.00

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:

	2022 Actual	2021 Actual
Total	\$0.00	\$0.00
Number of People	-	-

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).

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 employed in 2022. The Ministry is in the process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The School has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023.

Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2022, a contingent liability for the school may exist.

23. Commitments

(a) Capital Commitments

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

(a) \$29,346 contract to build LSPM Fencing as agent for the Ministry of Education. The project is fully funded by the Ministry and \$24,154 has been received of which \$1,343 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2021: \$130,979)

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into any contracts.

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 \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	147,637	153,000	134,837
Receivables	243,395	240,000	233,645
Investments - Term Deposits	118,415	118,000	117,472
Total Financial Assets Measured at Amortised Cost	<u>509,447</u>	<u>511,000</u>	<u>485,954</u>

Financial Liabilities Measured at Amortised Cost

Payables	282,336	320,000	298,160
Finance Leases	91,499	60,000	70,535
Total Financial Liabilities Measured at Amortised Cost	<u>373,835</u>	<u>380,000</u>	<u>368,695</u>

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 Hawkes Bay/Tairāwhiti regions 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.

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

26. Comparatives

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

Peterhead School

Kiwisport Report

For the year ended 31 December 2022

During the year the Board was the recipient of additional Government funding for specific purposes:

Kiwisport is a Government funded initiative to support students' participation in organised sport. In 2022 the school received total Kiwisport funding of \$7,772 (excluding GST). The funding was put towards a range of sports equipment to resource the school to support and initiate student participation in a variety of sports.

The number of students participating in organised sport continues to be at excellent levels.

Personnel Policy Compliance (s73 and s74 Public Service Act 2020)

For the year ended 31 December 2022

The Peterhead School Board:

- 1 Has developed and implemented personnel and industrial policies, within policy and procedural frameworks set by the Government from time to time, which promote high levels of staff performance, use educational resources effectively and recognise the needs of students;
- 2 Has reviewed its compliance against both its personnel policy and procedures and Education Review Office Board assurance Statement Personnel (Section 4) and can report that it meets all requirements and identified best practice;
- 3 Is a good employer as defined by the Public Service Act 2020 and complies with the conditions contained in the employment contracts applying to teaching and non-teaching staff;
- 4 Ensures all employees and applicants for employment are treated according to their skills, qualifications, abilities and aptitudes, without bias or discrimination;
- 5 Meets all EEO requirements.