

OKAINS BAY SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	3452
Principal:	Colin Hammond
School Address:	Okains Bay Road, RD 3, Akaroa, 7583
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OKAINS BAY SCHOOL

Annual Report - For the year ended 31 December 2022

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Okains Bay 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.

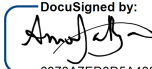
The School's 2022 financial statements are authorised for issue by the Board.

Amour Ryan

Colin Hammond

Full Name of Presiding Member

Full Name of Principal

DocuSigned by:

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Signature of Presiding Member

Signature of Principal

27 May 2023

27 May 2023

Date:

Date:

Okains Bay School

Members of the Board

For the year ended 31 December 2022

Name	Position	How Position Gained	Term Expired/ Expires
Amour Ryan	Presiding Member	Elected	Sep 2025
Colin Hammond	Principal ex Officio		
Luis Thacker	Parent Representative	Elected	Sep 2025
Jade Gardner	Staff Representative	Elected	Sep 2025
Will Knapp	Parent Representative	Co -opted	Sep 2025
Emma Huckstep	Parent Representative	Elected	Sep 2025

Okains Bay School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

		2022	2022	2021
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	335,110	284,451	311,835
Locally Raised Funds	3	38,492	23,150	26,603
Interest Income		1,635	500	809
		<u>375,237</u>	<u>308,101</u>	<u>339,247</u>
Expenses				
Locally Raised Funds	3	9,186	6,400	11,576
Learning Resources	4	231,434	215,028	218,341
Administration	5	60,780	27,559	31,425
Finance		374	-	376
Property	6	92,965	88,216	90,054
Loss on Disposal of Property, Plant and Equipment		23	-	226
		<u>394,762</u>	<u>337,203</u>	<u>351,998</u>
Net (Deficit)/Surplus for the year		(19,525)	(29,102)	(12,751)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(19,525)</u>	<u>(29,102)</u>	<u>(12,751)</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.

Okains Bay 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		201,213	201,213	205,886
Total comprehensive revenue and expense for the year		(19,525)	(29,102)	(12,751)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		1,603	-	-
Contribution - Te Mana Tuhono		-	-	8,078
Equity at 31 December		183,291	172,111	201,213
Accumulated comprehensive revenue and expense		183,291	172,111	201,213
Equity at 31 December		183,291	172,111	201,213

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.

Okains Bay School

Statement of Financial Position

As at 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	7	-	25,031	43,133
Accounts Receivable	8	25,932	13,546	13,546
Prepayments		3,325	3,350	3,350
Inventories	9	791	878	878
Investments	10	71,200	82,162	82,162
Funds Receivable for Capital Works Projects	15	7,846	-	-
		109,094	124,967	143,069
Current Liabilities				
Cash and Cash Equivalents - Overdraft	7	1,269	-	-
GST Payable		363	3,287	3,287
Accounts Payable	12	32,565	35,808	35,808
Revenue Received in Advance	13	518	295	295
Finance Lease Liability	14	1,829	1,693	1,693
Funds held for Capital Works Projects	15	3,254	16,052	16,052
		39,798	57,135	57,135
Working Capital Surplus/(Deficit)		69,296	67,832	85,934
Non-current Assets				
Property, Plant and Equipment	11	116,644	106,969	117,969
		116,644	106,969	117,969
Non-current Liabilities				
Finance Lease Liability	14	2,649	2,690	2,690
		2,649	2,690	2,690
Net Assets		183,291	172,111	201,213
Equity		183,291	172,111	201,213

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

Okains Bay School

Statement of Cash Flows

For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		124,103	69,207	70,081
Locally Raised Funds		31,086	23,150	26,840
Goods and Services Tax (net)		(2,924)	-	(5,491)
Payments to Employees		(88,045)	(53,331)	(61,437)
Payments to Suppliers		(92,166)	(57,628)	(54,300)
Interest Received		1,075	500	644
Net cash (to)/from Operating Activities		(26,871)	(18,102)	(23,663)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(7,861)	-	(513)
Purchase of Investments		10,962	-	(25,537)
Net cash from/(to) Investing Activities		3,101	-	(26,050)
Cash flows from Financing Activities				
Furniture and Equipment Grant		1,603	-	-
Finance Lease Payments		(1,591)	-	(1,221)
Funds Administered on Behalf of Third Parties		(20,644)	-	17,184
Net cash (to)/from Financing Activities		(20,632)	-	15,963
Net (decrease)/increase in cash and cash equivalents		(44,402)	(18,102)	(33,750)
Cash and cash equivalents at the beginning of the year	7	43,133	43,133	76,883
Cash and cash equivalents at the end of the year	7	(1,269)	25,031	43,133

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.

Okains Bay School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

1.1. Reporting Entity

Okains Bay 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.

1.2. 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 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 whole 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 11.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 14. Future operating lease commitments are disclosed in note 20b.

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.

1.3. 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 to which they relate. 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 programmes are recorded as revenue when the School has the rights to the funding in the period to which they relate. 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 recognised as 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.

1.4. 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.

1.5. 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.

1.6. 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.

1.7. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The school's 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.

1.8. Inventories

Inventories are consumable items held for sale and comprised of stationery, canteen 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.

1.9. 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.

1.10. 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 Statement of Comprehensive Revenue and Expense over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	40-50 years
Furniture and equipment	5-10 years
Information and communication technology	4-5 years
Textbooks	12.5% Diminishing value
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.11. 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 as the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information.

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 Statement of Comprehensive Revenue and Expense.

The reversal of an impairment loss is recognised in the Statement of Comprehensive Revenue and Expense. 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.

1.12. 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.

1.13. 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, but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in Statement of Comprehensive Revenue and Expense in the period in which they arise.

1.14. Revenue Received in Advance

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

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

1.15. Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

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

1.16. 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 Comprehensive Revenue and Expense.

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

1.17. 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.

Investments that are shares are categorised as financial assets at fair value through other comprehensive revenue and expense in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investments' fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in the Statement of Comprehensive Revenue and Expense unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to the Statement of Comprehensive Revenue and Expense.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract 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 the Statement of Comprehensive Revenue and Expense.

1.18. 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.

1.19. 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.

1.20. Budget Figures

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

1.21. 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	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	131,299	78,836	106,220
Teachers' Salaries Grants	127,314	139,718	139,718
Use of Land and Buildings Grants	69,496	65,897	65,897
Healthy Lunches Grants	7,001	-	-
	335,110	284,451	311,835

The School has opted in to the donations scheme for this year. Total amount received was \$1,950 (2021: \$1,500).

3. Locally Raised Funds

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	2,250	3,000	1,973
Fees for Extra Curricular Activities	908	1,000	4,984
Trading	396	400	461
Fundraising & Community Grants	7,318	7,000	6,935
Other Revenue	27,620	11,750	12,250
	38,492	23,150	26,603
Expenses			
Extra Curricular Activities Costs	5,105	1,450	6,474
Trading	1,120	300	772
Fundraising & Community Grant Costs	-	250	237
Other Locally Raised Funds Expenditure	2,961	4,400	4,093
	9,186	6,400	11,576
<i>Surplus / (Deficit) for the year Locally raised funds</i>	29,306	16,750	15,027

4. Learning Resources

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	8,127	10,350	8,833
Information and Communication Technology	2,223	3,650	2,187
Library Resources	-	200	-
Employee Benefits - Salaries	202,893	184,878	191,120
Staff Development	4,737	4,950	4,981
Depreciation	13,454	11,000	11,220
	231,434	215,028	218,341

5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,725	5,434	4,500
Board Fees	2,225	1,250	2,012
Board Expenses	3,214	2,550	599
Communication	843	820	909
Consumables	298	875	1,453
Operating Lease	711	2,550	1,324
Healthy Lunch	14,918	-	-
Other	19,098	480	1,959
Employee Benefits - Salaries	9,206	9,800	15,555
Insurance	128	400	128
Service Providers, Contractors and Consultancy	5,414	3,400	2,986
	60,780	27,559	31,425

6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	330	800	682
Consultancy and Contract Services	5,687	4,500	5,247
Grounds	1,647	2,000	2,141
Heat, Light and Water	4,653	4,719	4,120
Repairs and Maintenance	2,741	2,300	3,559
Use of Land and Buildings	69,496	65,897	65,897
Employee Benefits - Salaries	8,411	8,000	8,408
	<u>92,965</u>	<u>88,216</u>	<u>90,054</u>

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

7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	-	25,031	43,133
Bank Overdraft	(1,269)	-	-
Cash and Cash Equivalents for Statement of Cash Flows	<u>(1,269)</u>	<u>25,031</u>	<u>43,133</u>

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

Of the \$-1,269 Cash and Cash Equivalents and \$71,200 Investments, \$2,449 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

8. Accounts Receivable

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	7,687	58	58
Receivables from the Ministry of Education	3,590	3,004	3,004
Interest Receivable	770	210	210
Teacher Salaries Grant Receivable	<u>13,885</u>	<u>10,274</u>	<u>10,274</u>
	<u>25,932</u>	<u>13,546</u>	<u>13,546</u>
Receivables from Exchange Transactions	8,457	268	268
Receivables from Non-Exchange Transactions	<u>17,475</u>	<u>13,278</u>	<u>13,278</u>
	<u>25,932</u>	<u>13,546</u>	<u>13,546</u>

9. Inventories

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	791	878	878
	<u>791</u>	<u>878</u>	<u>878</u>

10. Investments

The School's investment activities are classified as follows:

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	71,200	82,162	82,162
Total Investments	<u>71,200</u>	<u>82,162</u>	<u>82,162</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	78,704	-	-	-	(2,232)	76,472
Furniture and Equipment	20,016	4,713	-	-	(4,702)	20,027
Information and Communication Technology	12,018	4,315	-	-	(4,067)	12,266
Textbooks	43	-	(6)	-	-	37
Leased Assets	4,364	2,105	-	-	(1,975)	4,494
Library Resources	2,824	1,025	(23)	-	(478)	3,348
Balance at 31 December 2022	117,969	12,158	(29)	-	(13,454)	116,644

The net carrying value of equipment held under a finance lease is \$4,494 (2021: \$4,364)

Restrictions

With the exception of the contractual restrictions relating to the above noted finance leases, there are no other 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 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	113,646	(37,174)	76,472	113,645	(34,941)	78,704
Furniture and Equipment	71,456	(51,429)	20,027	66,749	(46,733)	20,016
Information and Communication Technology	35,299	(23,033)	12,266	30,986	(18,968)	12,018
Textbooks	430	(393)	37	430	(387)	43
Leased Assets	12,812	(8,318)	4,494	12,470	(8,106)	4,364
Library Resources	13,734	(10,386)	3,348	12,812	(9,988)	2,824
Balance at 31 December	247,377	(130,733)	116,644	237,092	(119,123)	117,969

12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	5,646	8,247	8,247
Accruals	3,225	3,000	3,000
Banking Staffing Overuse	8,029	9,629	9,629
Employee Entitlements - Salaries	15,239	14,305	14,305
Employee Entitlements - Leave Accrual	426	627	627
	32,565	35,808	35,808
Payables for Exchange Transactions	32,565	35,808	35,808
	32,565	35,808	35,808

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Other Revenue in Advance	518	295	295
	518	295	295

14. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	2,119	1,972	1,972
Later than One Year and no Later than Five Years	2,850	2,965	2,965
Future Finance Charges	(491)	(554)	(554)
	<u>4,478</u>	<u>4,383</u>	<u>4,383</u>
Represented by:			
Finance lease liability - Current	1,829	1,693	1,693
Finance lease liability - Non current	2,649	2,690	2,690
	<u>4,478</u>	<u>4,383</u>	<u>4,383</u>

15. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
MOE Project Pool Upgarde	16,052	2,393	(15,191)	-	3,254
MOE Project Septic Tank Upgrade	-	-	(7,846)	-	(7,846)
Totals	<u>16,052</u>	<u>2,393</u>	<u>(23,037)</u>	<u>-</u>	<u>(4,592)</u>

Represented by:	
Funds Held on Behalf of the Ministry of Education	3,254
Funds Receivable from the Ministry of Education	(7,846)

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Deck & Shade Sails	(1,169)	1,169	-	-	-
MOE Project Pool Upgrade	-	16,052	-	-	16,052
Water Filtration	-	15,224	(15,224)	-	-
Totals	<u>(1,169)</u>	<u>32,445</u>	<u>(15,224)</u>	<u>-</u>	<u>16,052</u>

Represented by:	
Funds Held on Behalf of the Ministry of Education	16,052

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 trustees of the Board and Principal

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	2,225	2,012
<i>Leadership Team</i>		
Remuneration	121,472	121,927
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	123,697	123,939

There are 5 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 and Property members that meet monthly and quarterly respectively. 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	110-120	110-120
Benefits and Other Emoluments	3-4	3-4
Termination Benefits	0 - 0	0 - 0

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	-	-
	-	-

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 trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

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

19. Contingencies

There are no contingent liabilities and no contingent assets except as noted below as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: nil).

Holidays Act Compliance – schools payroll

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

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

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

Additional funding wash up payment

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 Ministry is in the process of determining wash up payments for the year ended 31 December 2022 however as at the reporting date this amount had not been calculated and therefore is not recorded in these financial statements.

Cyclical Maintenance

The School has an obligation to the Ministry of Education to maintain in good order and repair at all times the land, buildings and other facilities on the School site. The school is currently in the process of having its Ten-year Property Plan (10YPP) completed which has been delayed due to circumstances beyond its control. Maintenance costs are in the process of being calculated by the school's property consultant. As a result, of not having an approved 10YPP the School cannot make a reliable estimate of the maintenance required on the School's buildings so no cyclical maintenance provision has been recognised. The omission of a provision for cyclical maintenance is a temporary measure.

20. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into the following contract agreements for capital works.

(a) Contract for MOE Pool upgrade to be completed in 2023, which will be fully funded by the Ministry of Education. \$16,052 has been received of which 15,191 has been spent on the project to balance date.

(Capital commitments in relation to Ministry projects at 31 December 2021: \$16,052)

(b) Operating Commitments

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

(Operating commitments at 31 December 2021: nil)

21. Financial Instruments

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

Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	(1,269)	25,031	43,133
Receivables	25,932	13,546	13,546
Investments - Term Deposits	71,200	82,162	82,162
Total Financial assets measured at amortised cost	95,863	120,739	138,841

Financial liabilities measured at amortised cost

Payables	32,565	35,808	35,808
Finance Leases	4,478	4,383	4,383
Total Financial liabilities measured at amortised Cost	37,043	40,191	40,191

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.

Analysis of Variance 2022

Collectively- how are akonga progressing? This report highlights all akonga and their whereabouts regarding curriculum levels at the end of each term and during the year.

Key **Red-** working their way towards achieving at their curriculum level and are of concern
Green- achieving AT their curriculum level
Yellow- achieving ABOVE their curriculum level

	Math					Reading					Writing				Difference		
Student	T1 end	T2 end	T3 end	T4 end		T1 end	T2 end	T3 end	T4 end		T1 end	T2 end	T3 end	T4 end	M	R	W
a																	
b											742			1305			
c											1199			1356			
d											1343			1447			
e														1250	R - Moved 7 reading Levels in 3 terms		
f														1356	R - Moved 12 reading levels in 3 terms		
g	1415			1476					1380		1468			1537			
h	1326			1346		1368			1380		1468			1507			
i	1476			1538		1371			1380		1537			1615			
j	1423			1439		1411			1420		1544			1650			
k	1500			1548		1501			1501		1697			1724			
l	1528			1558		1429			1519		1544			1574			

What does our data show?

For those who have sat an easTTle test (maths and reading is only from Year 4 and up) their respective easTTle number (score) is placed in term 1 and term 4 columns. You can see the gains that have been made from term 1 to term 4.

Math-

100% of akonga are **at** or **above** their curriculum level in mathematics. 41% (5/12) are above their curriculum level.

Movement over time:

Three akonga have moved from being AT their curriculum level to being ABOVE.

All akonga who have sat easTTle maths have improved their asTTle score.

Two akonga who were working towards their curriculum level in maths are now working at their curriculum levels.

Reading

Currently, 84% (10/12) of akonga are **at** or **above** where they should be for reading. Once again, sixteen per cent or (2) akonga are currently below their curriculum level in reading.

Movement over time:

Four akonga have moved from being AT their curriculum level to being ABOVE.

All akonga who have sat easTTle reading have improved their asTTle score except for one who has reached their respective top-level score.

Two akonga who were working towards their curriculum level in reading have moved between 7 and 10 reading levels since starting 3 terms ago. They both have extra reading support which is a targeted reading session in the morning before school.

Writing

Currently, 91% (11/12) of akonga are **at** or **above** where they should be for writing. Nine per cent (1/12) per cent are below their curriculum level currently in writing.

Movement over time:

Two akonga have moved from being AT their curriculum level to being ABOVE. One akonga has moved from working towards its curriculum level to working above its curriculum level.

All akonga who have sat easTTle writing have improved their asTTle score.

Out of the two akonga who were working towards their curriculum level in writing one is now working at their curriculum level, extra support is still given to both pupils.

TRENDS

What are the strengths?

The strengths are in the gains that have been seen in all curriculum areas.

We have been trialling out a new math programme (PRIME) and it is evident that this programme is having a significant effect on maths capability.

Anecdotal discussions indicate that PRIME is improving its capabilities in math for all akonga.

Reading is also strong with 84% at or above their respective curriculum levels currently along with big gains seen in writing (91% at or above at the end of the year).

What are the weaknesses?

Writing for boys- there seems to be a reluctance for boys to participate in writing and this needs to be investigated more fully. One akonga also needs assistance across all facets of the curriculum and an analysis has been undertaken with the RTLb to identify any learning issues. Regular movement around schools and the time taken to transition into these new environments may have played a part in this akonga still working towards their respective levels.

Next steps for improvement:

To continue an ongoing evaluative process with the PRIME math programme and tweak this programme to get the best results possible out of akonga. Keep working hard on those who are below at this stage and “fragile” at’s.

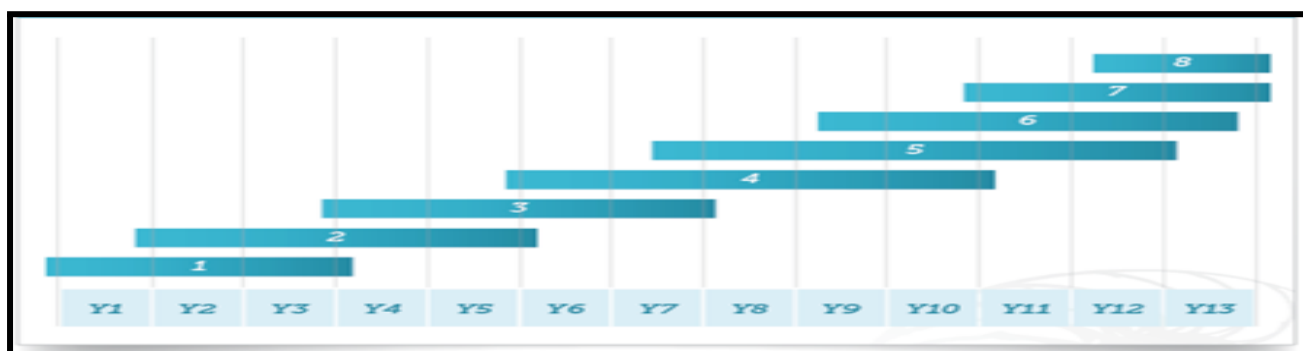
Investigate and review if the class programme needs tweaking. Does the writing programme need variation and does it need to be more meaningful for certain learners? Does our kura need to investigate or trial the Structured Literacy Programme?

What Are the Curriculum Levels?

There are 8 levels in the New Zealand Curriculum (NZC). These stretch from Year 1 through to Year 13 and 14. Each level represents a learning stage in each learning area or subject taught.

The diagram below shows how curriculum levels typically relate to years at school. Not all students, however, fit this pattern.

It is important to remember that curriculum levels are of more importance to us than to your child because we use them to guide our teaching, assessments and evaluations of learning. We update you on these curriculum levels via your child's school reports and in discussions, you have with us. Please bear in mind that the curriculum level will actually help your child receive the support they need, either as extra assistance in the classroom or in extension work if they are exceeding expectations.





Analysis of Variance Reporting 2022

Actions <i>What did we do?</i>	Outcomes: <i>Why did we do it?</i>	Reason for the variance. <i>Why the change?</i>	Outcomes: <i>What change was there?</i>
Maths: <i>We trialled the PRIME maths programme with akonga</i>	<i>The maths results we were previously getting were not good enough and another model programme was trialled.</i>	<i>The PRIME maths programme is more dedicated and structured to meet the individual needs of akonga.</i>	<i>In maths all akonga were at or above where they needed to be in line with the curriculum at the end of the year.</i>
Writing: <i>Improved engagement in writing with akonga</i>	<i>We were not necessarily getting boys to write well enough.</i>	<i>Two akonga present in term 1 (both males) had moved from being below in writing to at or above. The change is due to the nature of the writing programme and the board's investment in a junior teacher who could more capably meet the needs of junior akonga.</i>	<i>In writing 91% of akonga were at or above where they needed to be in line with their curriculum level, by the end of the year.</i> <i>Two akonga who started the year as below registered at or above by the end of the year.</i>
Reading: <i>Identified and extended the reading capability of akonga</i>	<i>Some akonga were below where they should be in reading and needed a boost.</i>	<i>Smaller class sizes and targeted teaching and learning. Regularly reviewing the class programme to ensure we were meeting the needs of akonga.</i>	<i>In reading 84% of akonga were at or above where they needed to be by the end of the year.</i> <i>60% of akonga have moved from being at their age-appropriate level to being above their level by the end of the year (a 50% increase.)</i>

Planning for 2023:

Data indicates that the change in maths programme is having a good effect on akonga and their maths learning. This needs to be consolidated.

Early identification of akonga with needs in reading and writing and staff having the capability of spending extra time to ensure that they get front-loaded.

Consolidation of 2022. Staff want to be the best that they can be with akonga and to get the best results possible. This may take further training in Basic Structured literacy and Prime maths.



Kiwisport 2022

Kiwisport is a Government funding initiative to support Students participation in organised sport. During 2022 the School received a total of \$199.65 in Kiwisport funding. The funding was spent on subsidising the cost of a swimming instructor to come in and give swimming lessons to our Akonga. The number of students that participated in this organised sport was 9.

INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Okains Bay School (the School). The Auditor-General has appointed me, Warren Johnstone, using the staff and resources of BDO Christchurch, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 3 to 17, that comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 27th May 2023. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as

applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

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

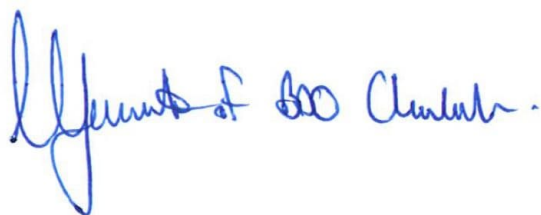
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

Independence

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

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

A handwritten signature in blue ink, which appears to read 'Warren Johnstone'.

Warren Johnstone,
BDO Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand