

Tikokino School

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021



School Directory

Ministry Number: 2704
Principal: Hamish Natusch
School Address: 43 Owen Street
School Postal Address: RD3, Waipawa, 4273
School Phone: 06 856 5833
School Email: office@tikokino.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/Expires
Grant Charteris	Presiding Member	Elected May 2019	Sep 2022
Hamish Natusch	Principal ex Officio		
Anne Frater	Member of Staff	Elected May 2019	Sep 2022
Charly Butler	Member	Re-elected May 2019	Sep 2022
Sam Bradley	Member	Elected May 2019	Sep 2022
James Butler	Member	Elected May 2019	Sep 2022
Kath Keir	Member	Re-elected 2019	Sep 2022

Accountant / Service Provider: Eclypse Solutions 4 Schools Ltd

Tikokino School

Annual Report - For the year ended 31 December 2021

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Tikokino School

Statement of Responsibility

For the year ended 31 December 2021

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

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

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

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

Full Name of Presiding Member

Full Name of Principal

Signature of Presiding Member

Signature of Principal

Date:

Date:

Tikokino School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	558,598	539,415	563,540
Locally Raised Funds	3	45,096	41,690	36,525
Interest Income		1,118	1,500	2,458
Other Revenue		381	-	1,157
		<u>605,193</u>	<u>582,605</u>	<u>603,680</u>
Expenses				
Locally Raised Funds	3	13,922	7,800	8,173
Learning Resources	4	405,865	385,842	367,043
Administration	5	61,235	55,289	52,131
Finance		783	568	1,037
Property	6	94,326	110,625	109,783
Depreciation	10	17,233	18,000	18,495
		<u>593,364</u>	<u>578,124</u>	<u>556,662</u>
Net Surplus / (Deficit) for the Year		11,829	4,481	47,018
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>11,829</u></u>	<u><u>4,481</u></u>	<u><u>47,018</u></u>

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

Tikokino School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		505,407	500,000	456,372
Total Comprehensive Revenue and Expense for the Year		11,829	4,481	47,018
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	2,017
Distribution - Property Project		-	(65,640)	-
Equity at 31 December		517,236	438,841	505,407

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.

Tikokino School

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	7	258,599	88,000	247,135
Accounts Receivable	8	41,079	25,000	26,734
GST Receivable		2,163	4,478	1,365
Prepayments		7,578	2,000	5,618
Investments	9	100,098	200,000	99,211
		409,517	319,478	380,063
Current Liabilities				
Accounts Payable	11	39,090	45,000	37,343
Revenue Received in Advance	12	10,097	1,000	10,560
Provision for Cyclical Maintenance	13	16,876	-	16,800
Finance Lease Liability	14	3,763	4,000	3,981
Funds Held for Capital Works Projects	15	8,891	-	-
		78,717	50,000	68,684
Working Capital Surplus/(Deficit)		330,800	269,478	311,379
Non-current Assets				
Property, Plant and Equipment	10	213,655	200,000	219,598
		213,655	200,000	219,598
Non-current Liabilities				
Provision for Cyclical Maintenance	13	24,637	24,637	20,008
Finance Lease Liability	14	2,582	6,000	5,562
		27,219	30,637	25,570
Net Assets		517,236	438,841	505,407
Equity		517,236	438,841	505,407

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

Tikokino School

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash Flows from Operating Activities				
Government Grants		162,605	163,364	157,084
Locally Raised Funds		32,763	42,690	47,331
Goods and Services Tax (net)		(798)	(2,069)	2,245
Payments to Employees		(84,945)	(75,631)	(59,142)
Payments to Suppliers		(91,924)	(47,818)	(82,056)
Interest Paid		(783)	(568)	(1,037)
Interest Received		1,030	1,500	2,676
Net Cash from/(to) Operating Activities		17,948	81,468	67,101
Cash Flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(11,290)	52,000	(1,628)
Purchase of Investments		(887)	(100,000)	(2,287)
Net Cash from/(to) Investing Activities		(12,177)	(48,000)	(3,915)
Cash Flows from Financing Activities				
Furniture and Equipment Grant		-	-	2,017
Finance Lease Payments		(3,198)	29,800	(3,189)
Funds Administered on Behalf of Third Parties		8,891	(65,640)	(784)
Net Cash from/(to) Financing Activities		5,693	(35,840)	(1,956)
Net Increase/(Decrease) in Cash and Cash Equivalents		11,464	(2,372)	61,230
Cash and Cash Equivalents at the Beginning of the Year	7	247,135	90,372	185,905
Cash and Cash Equivalents at the End of the Year	7	258,599	88,000	247,135

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.

Tikokino School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical Maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

Useful Lives of Property, Plant and Equipment

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

Critical Judgements in Applying Accounting Policies

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

Classification of Leases

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

Recognition of Grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

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

g) 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.

h) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building Improvements to Crown Owned Assets	10 - 50 years
Furniture and Equipment	5 - 10 years
Information and Communication Technology	3 - 5 years
Motor Vehicles	5 years
Textbooks	3 years
Leased Assets	Term of Lease
Library Resources	12.5% Diminishing value

i) Impairment of Property, Plant, and Equipment and Intangible Assets

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

Non Cash Generating Assets

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

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

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

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

j) 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.

k) 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.

l) 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.

m) Provision for Cyclical Maintenance

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

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

n) Financial Instruments

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

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

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

o) Borrowings

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

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

p) 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.

q) Budget Figures

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

r) Services Received In-Kind

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

2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	155,462	133,869	136,832
Teachers' Salaries Grants	329,057	316,280	316,280
Use of Land & Buildings Grants	66,277	88,698	88,698
Other MoE Grants	7,693	568	21,730
Other Government Grants	109	-	-
	<u>558,598</u>	<u>539,415</u>	<u>563,540</u>

The school has opted in to the donations scheme for this year. Total amount received was \$7,950.

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Donations & Bequests	13,644	23,450	16,676
Curriculum Related Activities - Purchase of Goods and Services	261	500	436
Fees for Extra Curricular Activities	1,610	800	429
Afcare Revenue	7,808	4,000	5,593
Fundraising & Community Grants	12,915	3,600	3,917
Other Revenue	8,858	9,340	9,474
	<u>45,096</u>	<u>41,690</u>	<u>36,525</u>
Expenses			
Extra Curricular Activities Costs	2,091	900	573
Trading	-	300	-
Fundraising & Community Grant Costs	91	1,100	1,723
Afcare Costs	11,740	5,500	5,877
	<u>13,922</u>	<u>7,800</u>	<u>8,173</u>
<i>Surplus/(Deficit) for the Year Locally Raised Funds</i>	<u>31,174</u>	<u>33,890</u>	<u>28,352</u>

4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	21,162	18,300	17,435
Equipment Repairs	96	1,000	586
Information & Communication Technology	745	1,500	1,381
Library Resources	210	100	66
Employee Benefits - Salaries	378,598	361,742	342,942
Staff Development	5,054	3,200	4,633
	<u>405,865</u>	<u>385,842</u>	<u>367,043</u>

5. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Audit Fee	4,759	4,150	3,990
Board Fees	3,075	3,200	2,690
Board Expenses	1,353	600	644
Communication	1,096	1,450	871
Consumables	3,370	3,100	2,621
Other	3,292	2,700	2,285
Employee Benefits - Salaries	36,649	30,169	33,139
Insurance	2,421	4,700	406
Service Providers, Contractors & Consultancy	5,220	5,220	5,485
	<u>61,235</u>	<u>55,289</u>	<u>52,131</u>

6. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Caretaking and Cleaning Consumables	1,981	1,300	1,918
Cyclical Maintenance Provision	4,705	5,827	5,827
Grounds	1,701	3,600	2,252
Heat, Light and Water	10,709	8,000	8,181
Rates	64	-	3
Repairs and Maintenance	8,889	3,200	2,904
Use of Land & Buildings	66,277	88,698	88,698
	<u>94,326</u>	<u>110,625</u>	<u>109,783</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, the use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Bank Accounts	258,599	88,000	247,135
Cash and Cash Equivalents for Statement of Cash Flows	<u>258,599</u>	<u>88,000</u>	<u>247,135</u>

Of the \$258,599 Cash and Cash Equivalents, \$8,891 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 2022 on Crown owned school buildings.

8. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	14,314	-	2,063
Interest Receivable	205	-	117
Teacher Salaries Grant Receivable	26,560	25,000	24,554
	<u>41,079</u>	<u>25,000</u>	<u>26,734</u>
Receivables from Exchange Transactions	14,519	-	2,180
Receivables from Non-Exchange Transactions	26,560	25,000	24,554
	<u>41,079</u>	<u>25,000</u>	<u>26,734</u>

9. Investments

The School's investment activities are classified as follows:

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	100,098	200,000	99,211
	<u>100,098</u>	<u>200,000</u>	<u>99,211</u>

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	189,050	-	(1)	-	(5,277)	183,772
Furniture & Equipment	14,995	4,771	-	-	(5,858)	13,908
Information & Communication Technology	277	6,123	-	-	(1,978)	4,422
Leased Assets	8,939	-	-	-	(3,324)	5,615
Library Resources	6,337	397	-	-	(796)	5,938
Balance at 31 December 2021	219,598	11,291	(1)	-	(17,233)	213,655

The net carrying value of equipment held under a finance lease is \$5,615 (2020: \$8,939)

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	263,865	(80,093)	183,772	263,866	(74,816)	189,050
Furniture & Equipment	140,064	(126,156)	13,908	135,608	(120,613)	14,995
Information & Communication Technology	63,266	(58,844)	4,422	71,929	(71,652)	277
Leased Assets	12,739	(7,124)	5,615	12,739	(3,800)	8,939
Library Resources	29,098	(23,160)	5,938	28,701	(22,364)	6,337
Balance at 31 December	509,032	(295,377)	213,655	512,843	(293,245)	219,598

11. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	7,726	10,000	8,140
Accruals	3,559	10,000	3,990
Banking Staffing Overuse	-	-	659
Employee Entitlements - Salaries	26,560	25,000	24,554
Employee Entitlements - Leave Accrual	1,245	-	-
	39,090	45,000	37,343
Payables for Exchange Transactions	39,090	45,000	37,343
	39,090	45,000	37,343

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
Other Revenue in Advance	\$ 10,097	\$ 1,000	\$ 10,560
	<u>10,097</u>	<u>1,000</u>	<u>10,560</u>

13. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
Provision at the Start of the Year	\$ 36,808	\$ 36,808	\$ 30,981
Increase/ (decrease) to the Provision During the Year	4,705	5,827	5,827
Use of the Provision During the Year	-	(17,998)	-
Provision at the End of the Year	<u>41,513</u>	<u>24,637</u>	<u>36,808</u>
Cyclical Maintenance - Current	16,876	-	16,800
Cyclical Maintenance - Term	24,637	24,637	20,008
	<u>41,513</u>	<u>24,637</u>	<u>36,808</u>

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:

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
No Later than One Year	\$ 3,764	\$ 4,000	\$ 3,981
Later than One Year and No Later than Five Years	3,200	7,500	7,038
Future Finance Charges	(619)	(1,500)	(1,476)
	<u>6,345</u>	<u>10,000</u>	<u>9,543</u>
Represented by			
Finance Lease Liability - Current	3,763	4,000	3,981
Finance Lease Liability - Term	2,582	6,000	5,562
	<u>6,345</u>	<u>10,000</u>	<u>9,543</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.

	2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
AMS SIP A QLE & OLE Installation - 224977		-	12,035	(3,144)	-	8,891
Totals		-	12,035	(3,144)	-	8,891

Represented by:

Funds Held on Behalf of the Ministry of Education	8,891
Funds Due from the Ministry of Education	-
	<u>8,891</u>

	2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Water Filtration Project		784	-	(784)	-	-
Totals		784	-	(784)	-	-

16. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

17. Remuneration

Key Management Personnel Compensation

Key management personnel of the School include all Board Members and the Principal.

	2021 Actual \$	2020 Actual \$
<i>Board Members</i> Remuneration	3,075	2,690
<i>Leadership Team</i> Remuneration	115,262	109,461
Full-time Equivalent Members	1.00	1.00
Total Key Management Personnel Remuneration	<u>118,337</u>	<u>112,151</u>

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. 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:

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110 - 120	100 - 110
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
	0	-
	<u>0</u>	<u>0</u>

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

18. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be board members, committee members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2021 Actual \$0	2020 Actual \$0
Total Number of People	-	-

19. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

20. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has not entered into contract agreements for capital works.

(Capital commitments at 31 December 2020: \$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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Cash and Cash Equivalents	258,599	88,000	247,135
Receivables	41,079	25,000	26,734
Investments - Term Deposits	100,098	200,000	99,211
Total Financial Assets Measured at Amortised Cost	<u>399,776</u>	<u>313,000</u>	<u>373,080</u>

Total Financial Liabilities Measured at Amortised Cost

Payables	39,090	45,000	37,343
Finance Leases	6,345	10,000	9,543
Total Financial Liabilities Measured at Amortised Cost	<u>45,435</u>	<u>55,000</u>	<u>46,886</u>

22. Events After Balance Date

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

23. Comparatives

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

24. COVID 19 Pandemic Ongoing Implications

Impact of Covid-19

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

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

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

Impact on Operations

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

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

Reduction in Locally Raised Funds

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

Increased Remote Learning Additional Costs

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

Tikokino School

Kiwisport Report

For the year ended 31 December 2021

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 2021 the school received total Kiwisport funding of \$828 (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.