

# OMOKOROA NO1 SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### School Directory

**Ministry Number:** 1863

**Principal:** Craig Pentecost

**School Address:** Plummers point Raod  
Tauranga 3172

**School Postal Address:**

**School Phone:** 07-548-0755

**School Email:** [office@omokoroa.school.nz](mailto:office@omokoroa.school.nz)

#### Members of the Board

Position	Name		Term Expired/ Expires
Presiding Member	Paul Hansen	elected	Sep-25
Principal ex Officio	Craig Pentecost	of right	
Parent Representative	Pip Allen	elected	Sep-25
Parent Representative	Adam Ross	elected	Sep-25
Parent Representative	Lee Moreton	elected	Sep-25
Parent Representative	Rikki Walls	elected	Sep-25
Parent Representative		elected	Sep-25
Staff Representative	Susan McRoberts	elected	Jun-25

#### Left office

Sharlene Pardy	Sep-22
Tim Mayston	Sep-22
Ben Bell	Sep-22

**Accountant / Service Provider:**

Davidson Dickson Ltd

# OMOKOROA NO1 SCHOOL

Annual Report - For the year ended 31 December 2022

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# Omokoroa No1 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.

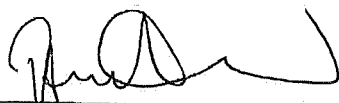
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

Paul Hansen

Full Name of Presiding Member



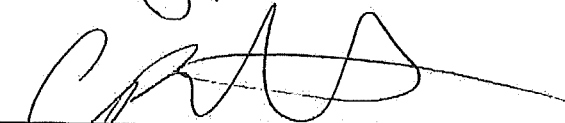
Signature of Presiding Member

8/6/23

Date:

Craig Pentecost

Full Name of Principal



Signature of Principal

7/6/2023

Date:

# Omokoroa No1 School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>				
Government Grants	2	2,498,581	2,423,104	2,253,764
Locally Raised Funds	3	224,469	95,914	267,907
Interest Income		2,786	3,500	491
<b>Total Revenue</b>		<b>2,725,836</b>	<b>2,522,518</b>	<b>2,522,162</b>
<b>Expenses</b>				
Locally Raised Funds	3	99,354	10,000	96,921
Learning Resources	4	1,959,544	1,810,921	1,704,906
Administration	5	126,241	116,108	104,632
Finance		2,966	-	1,770
Property	6	463,297	578,009	469,013
Other Expenses	7	1,455	3,000	333
Loss on Disposal of Property, Plant and Equipment		3,141	-	2,155
		<b>2,655,998</b>	<b>2,518,038</b>	<b>2,379,730</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>69,838</b>	<b>4,480</b>	<b>142,432</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>69,838</b>	<b>4,480</b>	<b>142,432</b>

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



# Omokoroa No1 School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Equity at 1 January</b>		1,175,534	1,175,534	1,033,102
Total comprehensive revenue and expense for the year		69,838	4,480	142,432
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		14,616	-	-
Contribution - Te Mana Tuhono		22,160	-	-
<b>Equity at 31 December</b>		1,282,148	1,180,014	1,175,534
Accumulated comprehensive revenue and expense		1,282,148	1,180,014	1,175,534
Reserves		-	-	-
<b>Equity at 31 December</b>		1,282,148	1,180,014	1,175,534

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.



# Omokoroa No1 School

## Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	582,368	515,621	514,582
Accounts Receivable	9	152,354	120,000	136,308
GST Receivable		6,816	6,000	6,121
Prepayments		12,434	10,000	18,966
Inventories	10	2,478	500	1,235
Funds Receivable for Capital Works Projects	16	1,752	-	1,993
		758,202	652,121	679,205
<b>Current Liabilities</b>				
Accounts Payable	12	182,730	159,508	167,103
Revenue Received in Advance	13	6,667	-	1,270
Provision for Cyclical Maintenance	14	10,000	24,433	24,433
Finance Lease Liability	15	22,176	17,980	17,517
Funds held for Capital Works Projects	16	57,275	70,000	86,137
		278,848	271,921	296,460
<b>Working Capital Surplus/(Deficit)</b>		479,354	380,200	382,745
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	877,694	857,191	869,771
		877,694	857,191	869,771
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	34,436	42,377	32,377
Finance Lease Liability	15	40,464	15,000	44,605
		74,900	57,377	76,982
<b>Net Assets</b>		1,282,148	1,180,014	1,175,534
<b>Equity</b>		1,282,148	1,180,014	1,175,534

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



# Omokoroa No1 School

## Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		601,835	661,172	446,370
Locally Raised Funds		189,436	70,700	256,047
International Students		37,840	25,214	14,770
Goods and Services Tax (net)		(695)	(12,000)	(29,145)
Payments to Employees		(301,909)	(259,851)	(255,716)
Payments to Suppliers		(349,103)	(278,643)	(301,053)
Interest Paid		(2,966)	-	(1,770)
Interest Received		2,843	3,500	483
Net cash from/(to) Operating Activities		177,281	210,092	129,986
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(3,141)	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(97,662)	(157,672)	(119,889)
Net cash from/(to) Investing Activities		(100,803)	(157,672)	(119,889)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		36,776	-	-
Finance Lease Payments		(16,849)	(10,000)	(35,277)
Loans Received		-	-	(268,561)
Funds Administered on Behalf of Third Parties		(28,619)	(5,000)	-
Net cash from/(to) Financing Activities		(8,692)	(15,000)	(303,838)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>67,786</b>	<b>37,420</b>	<b>(293,741)</b>
Cash and cash equivalents at the beginning of the year	8	514,582	478,201	808,323
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>582,368</b>	<b>515,621</b>	<b>514,582</b>

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.



# Omokoroa No1 School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Omokoroa No1 School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

##### b) Basis of Preparation

###### *Reporting Period*

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

###### *Basis of Preparation*

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

###### *Financial Reporting Standards Applied*

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

###### *PBE Accounting Standards Reduced Disclosure Regime*

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

###### *Measurement Base*

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

###### *Presentation Currency*

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

###### *Specific Accounting Policies*

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

###### *Critical Accounting Estimates And Assumptions*

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

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

###### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

###### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 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 15. Future operating lease commitments are disclosed in note 21b.

#### ***Recognition of grants***

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

### **c) Revenue Recognition**

#### ***Government Grants***

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

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

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

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

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

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

#### ***Other Grants where conditions exist***

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

#### ***Donations, Gifts and Bequests***

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

#### ***Interest Revenue***

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

### **d) Operating Lease Payments**

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

### **e) 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.

### **f) 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.



#### **g) Accounts Receivable**

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

#### **h) Inventories**

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

#### **i) Property, Plant and Equipment**

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

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

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

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

#### **Finance Leases**

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

#### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements	20-50 years
Board Owned Buildings	20-50 years
Furniture and equipment	10 years
Information and communication technology	5 years
Motor vehicles	10 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

#### **j) Intangible Assets**

##### **Software costs**

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

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



**k) 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.

**l) 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.

*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 surplus or deficit in the period in which they arise.

**m) 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.

**n) Funds held for Capital works**

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

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

**o) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTL B programme), all income and expenditure related to the provision of the service is recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

**p) Provision for Cyclical Maintenance**

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

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

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

**q) Financial Instruments**

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

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. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's 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 surplus or deficit 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 surplus or deficit.

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 surplus or deficit.

**r) 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.

**s) 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.

**t) Budget Figures**

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

**u) Services received in-kind**

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



## 2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	590,318	523,104	538,577
Teachers' Salaries Grants	1,599,065	1,500,000	1,416,331
Use of Land and Buildings Grants	309,198	400,000	299,114
Other Government Grants	-	-	(258)
	<u>2,498,581</u>	<u>2,423,104</u>	<u>2,253,764</u>

## 3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>			
Donations & Bequests	37,248	25,000	54,867
Fees for Extra Curricular Activities	74,549	12,000	87,000
Trading	7,667	-	7,150
Fundraising & Community Grants	58,263	33,700	102,863
Other Revenue	13,259	-	1,257
International Student Fees	33,483	25,214	14,770
	<u>224,469</u>	<u>95,914</u>	<u>267,907</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	58,003	-	72,497
Trading	9,975	-	5,619
Fundraising and Community Grant Costs	12,276	-	11,787
International Student - Student Recruitment	6,246	9,000	-
International Student - Employee Benefit - Salaries	11,354	-	4,579
International Student - Other Expenses	1,500	1,000	2,439
	<u>99,354</u>	<u>10,000</u>	<u>96,921</u>
<b>Surplus/ (Deficit) for the year Locally raised funds</b>	<u>125,115</u>	<u>85,914</u>	<u>170,986</u>

During the year the School hosted 3 International students (2021:0)

## 4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	69,413	68,500	41,869
Equipment Repairs	405	-	70
Library Resources	1,694	1,500	8
Employee Benefits - Salaries	1,774,638	1,659,171	1,564,805
Staff Development	6,288	11,750	9,909
Depreciation	107,106	70,000	88,245
	<u>1,959,544</u>	<u>1,810,921</u>	<u>1,704,906</u>

## 5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	5,209	5,208	4,926
Board Fees	1,660	1,000	1,155
Board Expenses	8,532	7,850	5,521
Communication	3,616	4,100	4,877
Consumables	9,153	12,200	4,643
Operating Lease	360	-	-
Other	7,150	6,850	3,745
Employee Benefits - Salaries	73,595	62,000	64,076
Insurance	10,066	10,000	8,789
Service Providers, Contractors and Consultancy	6,900	6,900	6,900
	126,241	116,108	104,632

## 6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	10,532	8,500	11,602
Consultancy and Contract Services	29,751	29,043	24,260
Cyclical Maintenance Provision	2,571	10,000	15,983
Grounds	19,826	16,200	15,468
Heat, Light and Water	33,323	39,417	36,759
Rates	-	-	-
Repairs and Maintenance	12,842	30,669	24,499
Use of Land and Buildings	309,198	400,000	299,114
Security	1,955	500	468
Employee Benefits - Salaries	43,299	43,680	40,860
	463,297	578,009	469,013

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

## 7. Other Expenses

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Transport	1,455	3,000	333
	1,455	3,000	333



## 8. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	44,223	515,621	48,627
Saver account	194,572	-	148,298
Saver account	294,800	-	269,373
Short-term Bank Deposits	48,773	-	48,284
Cash and cash equivalents for Statement of Cash Flows	<u>582,368</u>	<u>515,621</u>	<u>514,582</u>

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

Of the \$582,368 Cash and Cash Equivalents, \$57,275 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

## 9. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	2,634	-	44
Receivables from the Ministry of Education	-	-	5,275
Interest Receivable	-	-	57
Banking Staffing Underuse	4,834	-	11,075
Teacher Salaries Grant Receivable	144,886	120,000	119,857
	<u>152,354</u>	<u>120,000</u>	<u>136,308</u>
Receivables from Exchange Transactions	2,634	-	101
Receivables from Non-Exchange Transactions	149,720	120,000	136,207
	<u>152,354</u>	<u>120,000</u>	<u>136,308</u>

## 10. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	203	-	260
School Uniforms	2,275	500	975
	<u>2,478</u>	<u>500</u>	<u>1,235</u>



## 11. Property, Plant and Equipment

	Opening Balance	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Buildings	208,450	-	(402)		(6,842)	201,206
Furniture and Equipment	508,256	52,592	-		(58,213)	502,635
Information and Communication Technology	30,553	43,826	-		(16,662)	57,717
Vehicles	42,161	-	-		(4,347)	37,814
Leased Assets	60,946	17,367	-		(18,967)	59,346
Library Resources	19,405	4,469	(2,823)		(2,075)	18,976
<b>Balance at 31 December 2022</b>	<b>869,771</b>	<b>118,254</b>	<b>(3,225)</b>	<b>-</b>	<b>(107,106)</b>	<b>877,694</b>

### Restrictions

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

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	343,141	(141,935)	201,206	344,110	(135,660)	208,450
Furniture and Equipment	1,018,751	(516,116)	502,635	978,424	(470,168)	508,256
Information and Communication Technology	142,676	(84,959)	57,717	110,623	(80,070)	30,553
Vehicles	43,470	(5,656)	37,814	43,470	(1,309)	42,161
Leased Assets	103,022	(43,676)	59,346	85,655	(24,709)	60,946
Library Resources	62,529	(43,553)	18,976	67,937	(48,532)	19,405
<b>Balance at 31 December</b>	<b>1,713,589</b>	<b>(835,895)</b>	<b>877,694</b>	<b>1,630,219</b>	<b>(760,448)</b>	<b>869,771</b>

## 12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	13,362	13,508	24,829
Accruals	4,358	5,000	4,206
Employee Entitlements - Salaries	150,141	126,000	124,883
Employee Entitlements - Leave Accrual	14,869	15,000	13,185
	<b>182,730</b>	<b>159,508</b>	<b>167,103</b>
 Payables for Exchange Transactions	 182,730	 159,508	 167,103
	<b>182,730</b>	<b>159,508</b>	<b>167,103</b>

The carrying value of payables approximates their fair value.



### 13. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
International Student Fees in Advance	4,357	-	-
Other revenue in Advance	2,310	-	1,270
	<u>6,667</u>	<u>-</u>	<u>1,270</u>

### 14. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	56,810	56,810	40,827
Increase to the Provision During the Year	2,571	10,000	15,983
Use of the Provision During the Year	(14,945)	-	-
Other Adjustments	-	-	-
Provision at the End of the Year	<u>44,436</u>	<u>66,810</u>	<u>56,810</u>
Cyclical Maintenance - Current	10,000	24,433	24,433
Cyclical Maintenance - Non current	34,436	42,377	32,377
	<u>44,436</u>	<u>66,810</u>	<u>56,810</u>

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

### 15. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	19,462		15,003
Later than One Year and no Later than Five Years	36,629		39,724
Future Finance Charges	6,549		7,395
	<u>62,640</u>	<u>-</u>	<u>62,122</u>
<b>Represented by</b>			
Finance lease liability - Current	22,176		11,808
Finance lease liability - Non current	40,464		10,135
	<u>62,640</u>	<u>-</u>	<u>21,943</u>



## 16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 9.

	2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Waste water project	<i>ongoing</i>	76,137	-	(18,862)	-	57,275
Multi purpose room	<i>closed</i>	(379)			-	(379)
Site Landscape - project 223227	<i>ongoing</i>	10,000	80,000	(112,191)	22,191	-
AMS Breakout - Project 216131	<i>ongoing</i>	(1,615)	111,536	(111,294)	-	(1,373)
Totals		84,143	191,536	(242,347)	22,191	55,523

### Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Receivable from the Ministry of Education

57,275  
1,752

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Waste water project		77,054	-	(917)	-	76,137
Multi purpose room		282,444	57,279	(340,102)	-	(379)
Pool Landscaping		(6,795)	-	-	6,795	-
Site Landscape - project 223227		-	10,000	-	-	10,000
AMS Breakout - Project 216131		-	-	(1,615)	-	(1,615)
Totals		352,703	67,279	(342,634)	6,795	84,143

### Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Receivable from the Ministry of Education

86,137  
1,993

## 17. 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.



## 18. Remuneration

### Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	1,660	1,155
<i>Leadership Team</i>		
Remuneration	259,902	252,775
Full-time equivalent members	2	2
Total key management personnel remuneration	261,562	253,930

There are 5 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance meetings and Property meetings when required. 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 1

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	150-160	140-150
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	2.00	2.00
110-120	0.00	0.00
	2.00	2.00

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

## 19. Compensation and Other Benefits Upon Leaving

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

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



## 20. Contingencies

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

### **Contingent Liability: 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.

### **Contingent Asset: Additional funding washup payment.**

The Ministry of Education provided additional funding for both the Support staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School has not been notified of the final wash up calculation relating to 31 December 2022. The final calculations impact on the financial statements is unable to be determined as the date of reporting.

## 21. Commitments

### **(a) Capital Commitments**

As at 31 December 2022 the Board had not entered into contract agreements for capital works:

As at 31 December 2021 the Board has entered into contract agreements for capital works as follows:

(a) contract for Site Landscaping to be completed in 2022, which will be fully funded by the Ministry of Education. \$10,000 has been received of which nil has been spent on the project to date;

### **(b) Operating Commitments**

As at 31 December 2022 the Board had no operating contracts:

(2021: Nil).



## 22. 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	582,368	515,621	514,582
Receivables	152,354	120,000	136,308
Total Financial assets measured at amortised cost	<u>734,722</u>	<u>635,621</u>	<u>650,890</u>

### Financial liabilities measured at amortised cost

Payables	182,730	159,508	167,103
Finance Leases	62,640	32,980	62,122
Total Financial Liabilities Measured at Amortised Cost	<u>245,370</u>	<u>192,488</u>	<u>229,225</u>

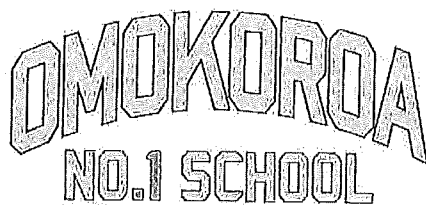
## 23. Events After Balance Date

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

## 24. Comparatives

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





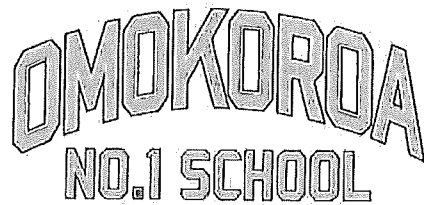
## Kiwisport Funding 2022

Funding Received	\$4734.61
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The above funding was used to provide:

Kiorahi Sports	\$1884.00
Beach Ed	\$1200.00
Surf Instruction	\$2940.00

<u>Total</u>	<u>\$6024.00</u>
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### **Statement of Compliance with Employment Policy**

For the year ended 31st December 2022 the Omokoroa No.1 School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment.
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications, and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF OMOKOROA NO.1 SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Omokoroa No.1 School (the School). The Auditor-General has appointed me, Michael Lim, using the staff and resources of BDO Tauranga, 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 2 to 19, 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 Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as Tier 2.

Our audit was completed on 8 June 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 of Trustees 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 Novopay 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 arises from the Public Audit Act 2001.

### **Other information**

The Board is responsible for the other information. The other information comprises the Analysis of Variance, Board of Trustees Listing, Kiwisport Report and Good Employer Statement , but does not include the financial statements, and our auditor's report 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 black ink that reads "Michael Lim". The signature is written in a cursive style with a large, looped initial "M".

Michael Lim  
BDO Tauranga  
On behalf of the Auditor-General  
Tauranga, New Zealand