

WAITAKI BOYS' HIGH SCHOOL



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	365
Principal:	Darryl Paterson
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WAITAKI BOYS' HIGH SCHOOL

Annual Report - For the year ended 31 December 2022

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Waitaki Boys' High 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 James Edmondston

Full Name of Presiding Member



Signature of Presiding Member

13/12/23

Date:

DARKYL WAYNE PATERSON

Full Name of Principal



Signature of Principal

13/12/2023

Date:

Waitaki Boys' High School

Members of the Board

For the year ended 31 December 2022

Name	Position	How Position Gained	Term Expired/ Expires
Paul Edmondston	Presiding Member	Elected	Sep 2023
Darryl Paterson	Rector	ex Officio	
Andrea Ludemann	Presiding Member Parent Representative	Elected Co-opted	Sep 2022 Dec 2022
Kirsti Broad	Parent Representative	Elected	Sep 2023
Kirsten Dixon	Parent Representative	Elected	Sep 2023
Graham Hay	Parent Representative	Elected	Sep 2023
Daniel Isbister	Parent Representative	Elected	Sep 2023
Matt O'Sullivan	Parent Representative	Elected Co-opted	Sep 2022 Dec 2022
Silou Temoana-Tevao	Parent Representative	Elected	Sep 2022
Greg Wilson	Parent Representative	Elected Co-opted	Sep 2022 Dec 2022
Cornel van Basten	Parent Representative	Elected	Sep 2022
Ben O'Sullivan	Student Representative	Elected	Sep 2023
Ethan Reille	Student Representative	Elected	Sep 2022
Katrina Miller	Staff Representative	Elected	Sep 2022
Angela Slemint	Staff Representative	Elected	Jan 2023

Waitaki Boys' High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	6,000,756	5,365,682	5,454,635
Locally Raised Funds	3	480,633	43,500	305,939
Interest Income		21,061	9,300	13,012
Gain on Sale of Property, Plant and Equipment Hostel	4	-	-	1,739
		678,272	629,628	641,072
		<u>7,180,722</u>	<u>6,048,110</u>	<u>6,416,397</u>
Expenses				
Locally Raised Funds	3	273,897	2,751	233,856
Hostel	4	642,069	690,751	640,312
Learning Resources	5	3,960,865	3,808,438	4,023,170
Administration	6	894,911	350,622	359,456
Finance		471	-	-
Property	7	1,217,232	1,269,774	1,181,131
Loss on Disposal of Property, Plant and Equipment		1,077	-	-
		<u>6,990,522</u>	<u>6,122,336</u>	<u>6,437,925</u>
Net Surplus / (Deficit) for the year		190,200	(74,226)	(21,528)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>190,200</u>	<u>(74,226)</u>	<u>(21,528)</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.

Waitaki Boys' High 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		1,512,355	1,512,355	1,533,883
Total comprehensive revenue and expense for the year		190,200	(74,226)	(21,528)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		25,497	-	-
Contribution to Ministry Projects		(100,000)	-	-
Equity at 31 December		1,628,052	1,438,129	1,512,355
Accumulated comprehensive revenue and expense		1,628,052	1,438,129	1,512,355
Equity at 31 December		1,628,052	1,438,129	1,512,355

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.

Waitaki Boys' High School

Statement of Financial Position

As at 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	863,478	847,747	713,754
Accounts Receivable	9	277,774	380,963	380,963
GST Receivable		423	-	-
Prepayments		20,128	15,817	15,817
Inventories	10	35,040	39,195	39,195
Investments	11	312,509	243,225	243,225
Funds owing for Capital Works Projects	19	-	1,500	1,500
		<u>1,509,352</u>	<u>1,528,447</u>	<u>1,394,454</u>
Current Liabilities				
GST Payable		12,489	6,939	6,939
Accounts Payable	13	411,473	464,494	464,494
Borrowings	14	-	100,000	100,000
Revenue Received in Advance	15	141,592	251,858	251,858
Provision for Cyclical Maintenance	16	138,882	-	27,900
Finance Lease Liability	17	29,261	41,922	41,922
Funds held in Trust	18	244,768	139,233	139,233
Funds held for Capital Works Projects	19	179,585	256,646	256,646
		<u>1,158,050</u>	<u>1,261,092</u>	<u>1,288,992</u>
Working Capital Surplus/(Deficit)		351,302	267,355	105,462
Non-current Assets				
Investments	11	162,676	237,330	237,330
Property, Plant and Equipment	12	1,283,319	1,184,114	1,386,333
		<u>1,445,995</u>	<u>1,421,444</u>	<u>1,623,663</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	132,500	209,700	175,800
Finance Lease Liability	17	36,745	40,970	40,970
		<u>169,245</u>	<u>250,670</u>	<u>216,770</u>
Net Assets		<u><u>1,628,052</u></u>	<u><u>1,438,129</u></u>	<u><u>1,512,355</u></u>
Equity		<u><u>1,628,052</u></u>	<u><u>1,438,129</u></u>	<u><u>1,512,355</u></u>

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

Waitaki Boys' High 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		1,766,946	1,768,420	1,598,033
Locally Raised Funds		390,129	31,000	398,385
Hostel		669,894	629,628	646,472
International Students		13,760	12,500	(5,931)
Goods and Services Tax (net)		5,127	-	(141)
Payments to Employees		(1,219,998)	(1,272,975)	(1,156,578)
Payments to Suppliers		(1,222,146)	(1,043,880)	(1,334,303)
Interest Received		19,342	9,300	13,014
Net cash from/(to) Operating Activities		423,054	133,993	158,951
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	1,739
Purchase of Property Plant & Equipment (and Intangibles)		(78,703)	-	(59,324)
Proceeds from Sale of Investments		5,370	-	76,107
Net cash (to)/from Investing Activities		(73,333)	-	18,522
Cash flows from Financing Activities				
Furniture and Equipment Grant		25,497	-	-
Contribution to Ministry Project		(100,000)	-	-
Finance Lease Payments		(37,378)	-	(43,930)
Repayment of Loans		(100,000)	-	-
Funds Administered on Behalf of Third Parties		11,884	-	254,302
Net cash (to)/from Financing Activities		(199,997)	-	210,372
Net increase/(decrease) in cash and cash equivalents		149,724	133,993	387,845
Cash and cash equivalents at the beginning of the year	8	713,754	713,754	325,909
Cash and cash equivalents at the end of the year	8	863,478	847,747	713,754

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.

Waitaki Boys' High School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

1.1. Reporting Entity

Waitaki Boys' High 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.

Cyclical Maintenance

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 17. Future operating lease commitments are disclosed in note 24b.

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 livestock and canteen. 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 to Crown Owned Assets	10-75 years
Board Owned Buildings	10-75 years
Furniture and equipment	10-15 years
Information and communication technology	4-5 years
Motor vehicles	5 years
Textbooks	3 years
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. 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.

Cyclical maintenance, which involves painting of the School, makes up the most significant part of the Board's responsibilities outside the 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 School carries out painting maintenance of the whole school over a variety of periods in accordance with the conditional assessment of each area of the school. 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.

1.18. 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.

1.19. 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.

1.20. 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.

1.21. Budget Figures

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

1.22. 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	1,583,193	1,537,618	1,552,035
Teachers' Salaries Grants	3,141,234	2,943,805	3,150,059
Use of Land and Buildings Grants	672,454	756,175	606,543
Healthy Lunches Grant	505,769	-	-
Other Government Grants	98,106	128,084	145,998
	<u>6,000,756</u>	<u>5,365,682</u>	<u>5,454,635</u>

The School has opted in to the donations scheme for this year. Total amount received was \$57,150 (2021: \$56,100).

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	25,224	-	2,850
Fees for Extra Curricular Activities	223,567	-	185,872
Trading	68,218	2,000	69,866
Fundraising & Community Grants	129,027	19,000	17,322
Other Revenue	16,988	10,000	11,350
International Student Fees	17,609	12,500	18,679
	<u>480,633</u>	<u>43,500</u>	<u>305,939</u>
Expenses			
Extra Curricular Activities Costs	222,099	-	163,648
Trading	44,818	1,990	58,414
International Student - Student Recruitment	-	-	10,697
International Student - Other Expenses	6,980	761	1,097
	<u>273,897</u>	<u>2,751</u>	<u>233,856</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>206,736</u>	<u>40,749</u>	<u>72,083</u>

During the year the School hosted 1 International student (2021:1)

4. Hostel Revenue and Expenses

	2022 Actual Number	2022 Budget (Unaudited) Number	2021 Actual Number
Hostel Financial Performance			
Hostel Full Boarders	47	48	50
	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Hostel Fees	592,883	550,028	580,458
Other Revenue	85,389	79,600	60,614
	<u>678,272</u>	<u>629,628</u>	<u>641,072</u>
Expenses			
Other Hostel Expenses	201,701	256,098	288,530
Administration	62,962	53,029	42,922
Property	114,211	111,200	111,659
Depreciation	62,311	62,118	-
Employee Benefit - Salaries	200,884	208,306	197,201
	<u>642,069</u>	<u>690,751</u>	<u>640,312</u>
<i>Surplus/ (Deficit) for the year Hostel</i>	<u>36,203</u>	<u>(61,123)</u>	<u>760</u>

5. Learning Resources

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	118,815	159,977	171,747
Information and Communication Technology	69,856	73,546	71,162
Library Resources	2,157	7,000	2,322
Employee Benefits - Salaries	3,577,363	3,395,814	3,497,159
Staff Development	38,023	32,000	10,431
Depreciation	154,651	140,101	270,349
	<u>3,960,865</u>	<u>3,808,438</u>	<u>4,023,170</u>

6. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	11,461	11,300	11,314
Board Fees	7,815	6,875	4,235
Board Expenses	23,869	24,000	17,082
Communication	11,725	20,000	17,519
Consumables	13,536	20,700	13,710
Legal Fees	519	5,000	2,886
Healthy Lunches Expenses	505,769	-	-
Other	30,523	24,780	32,794
Employee Benefits - Salaries	281,111	230,543	251,249
Insurance	5,508	7,424	5,117
Service Providers, Contractors and Consultancy	3,075	-	3,550
	<u>894,911</u>	<u>350,622</u>	<u>359,456</u>

7. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	3,757	9,000	7,061
Consultancy and Contract Services	-	-	2,313
Cyclical Maintenance Provision	67,682	6,000	96,385
Grounds	47,297	41,900	40,469
Heat, Light and Water	99,537	108,000	96,430
Rates	8,899	7,000	9,919
Repairs and Maintenance	54,027	62,300	38,239
Use of Land and Buildings	672,454	756,175	606,543
Employee Benefits - Salaries	263,579	279,399	283,772
	<u>1,217,232</u>	<u>1,269,774</u>	<u>1,181,131</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.

8. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	761,395	746,653	612,660
Short-term Bank Deposits	102,083	101,094	101,094
Cash and Cash Equivalents for Statement of Cash Flows	<u>863,478</u>	<u>847,747</u>	<u>713,754</u>

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

Of the \$863,478 Cash and Cash Equivalents, \$179,585 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.

9. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	27,901	67,316	67,316
Receivables from the Ministry of Education	201	-	-
Allowance for Impairment of Receivables	(21,784)	(36,055)	(36,055)
Interest Receivable	1,772	53	53
Banking Staffing Underuse	-	102,718	102,718
Teacher Salaries Grant Receivable	269,684	246,931	246,931
	<u>277,774</u>	<u>380,963</u>	<u>380,963</u>
Receivables from Exchange Transactions	7,889	31,314	31,314
Receivables from Non-Exchange Transactions	269,885	349,649	349,649
	<u>277,774</u>	<u>380,963</u>	<u>380,963</u>

10. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Livestock	35,040	38,075	38,075
Hostel Stock	-	1,120	1,120
	<u>35,040</u>	<u>39,195</u>	<u>39,195</u>

11. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	312,509	243,225	243,225
Non-current Asset			
Long-term Bank Deposits	162,676	237,330	237,330
Total Investments	<u>475,185</u>	<u>480,555</u>	<u>480,555</u>

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Land - School	413,000	-	-	-	-	413,000
Buildings - School	139,569	-	-	-	(17,137)	122,432
Building improvements - Crown	112,561	-	-	-	(28,881)	83,680
Furniture and equipment	92,067	26,954	-	(1,077)	(32,257)	85,687
Information and communication technology	35,520	3,977	-	-	(19,907)	19,590
Motor vehicles	32,339	-	-	-	(18,040)	14,299
Leased assets	56,011	34,148	-	-	(33,181)	56,978
Library resources	21,046	4,988	-	-	(5,248)	20,786
Work in Progress	14,000	29,356	-	-	-	43,356
Hostel	470,220	5,882	-	-	(62,311)	413,791
Hostel Work in Progress	-	9,720	-	-	-	9,720
Balance at 31 December 2022	<u>1,386,333</u>	<u>115,025</u>	<u>-</u>	<u>(1,077)</u>	<u>(216,962)</u>	<u>1,283,319</u>

The net carrying value of equipment held under a finance lease is \$56,978 (2021: \$56,011)

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 \$
Land - School	413,000	-	413,000	413,000	-	413,000
Buildings - School	462,349	(339,917)	122,432	462,349	(322,780)	139,569
Building improvements - Crown	727,883	(644,203)	83,680	727,883	(615,322)	112,561
Furniture and equipment	909,868	(824,181)	85,687	885,230	(793,163)	92,067
Information and communication technology	212,220	(192,630)	19,590	208,243	(172,723)	35,520
Motor vehicles	140,710	(126,411)	14,299	140,710	(108,371)	32,339
Leased assets	116,463	(59,485)	56,978	89,417	(33,406)	56,011
Library resources	73,490	(52,704)	20,786	68,502	(47,456)	21,046
Work in Progress	43,356	-	43,356	14,000	-	14,000
Hostel	2,986,900	(2,573,109)	413,791	2,981,018	(2,510,798)	470,220
Hostel Work in Progress	9,720	-	9,720	-	-	-
Balance at 31 December	<u>6,095,959</u>	<u>(4,812,640)</u>	<u>1,283,319</u>	<u>5,990,352</u>	<u>(4,604,019)</u>	<u>1,386,333</u>

13. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	94,985	74,971	74,971
Accruals	11,461	66,211	66,211
Employee Entitlements - Salaries	283,294	285,110	285,110
Employee Entitlements - Leave Accrual	21,733	38,202	38,202
	<u>411,473</u>	<u>464,494</u>	<u>464,494</u>
Payables for Exchange Transactions	411,473	464,494	464,494
	<u>411,473</u>	<u>464,494</u>	<u>464,494</u>

The carrying value of payables approximates their fair value.

14. Borrowings

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Loans due in one year	-	100,000	100,000
	<u>-</u>	<u>100,000</u>	<u>100,000</u>

The School had borrowings at 31 December 2021 of \$100,000, which has now been repaid. This loan is from the Ministry of Education for the purpose of cashflow support. The loan is unsecured, interest is 0% per annum and the loan is payable without interest in equal instalments of \$25,000.

15. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
International Student Fees in Advance	24,783	28,632	28,632
Hostel Fees in Advance	77,022	85,400	85,400
Other Revenue in Advance	39,787	137,826	137,826
	<u>141,592</u>	<u>251,858</u>	<u>251,858</u>

16. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	203,700	203,700	107,315
Increase to the Provision During the Year	41,418	6,000	38,100
Other Adjustments	26,264	-	58,285
Provision at the End of the Year	<u>271,382</u>	<u>209,700</u>	<u>203,700</u>
Cyclical Maintenance - Current	138,882	-	27,900
Cyclical Maintenance - Non current	132,500	209,700	175,800
	<u>271,382</u>	<u>209,700</u>	<u>203,700</u>

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

17. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	29,261	41,922	41,922
Later than One Year and no Later than Five Years	36,745	40,970	40,970
	<u>66,006</u>	<u>82,892</u>	<u>82,892</u>
Represented by:			
Finance lease liability - Current	29,261	41,922	41,922
Finance lease liability - Non current	36,745	40,970	40,970
	<u>66,006</u>	<u>82,892</u>	<u>82,892</u>

18. Funds Held in Trust

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	244,768	139,233	139,233
	<u>244,768</u>	<u>139,233</u>	<u>139,233</u>

These funds relate to arrangements where the School is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

19. Funds Held for Capital Works Projects

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

2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Tennis Court Resurface #222086/230811	142,652	26,771	(269,423)	100,000	-
Boiler Replacement Project #225999	73,458	90,642	(164,100)	-	-
Learning Co-ordinators Office Project #220494	1,096	-	(1,096)	-	-
Special Needs Block F	(1,500)	-	1,500	-	-
Visually Upgrade Project #231839	13,943	3,822	(17,765)	-	-
5 Year Property Plan	25,497	-	(25,497)	-	-
Flood Damage Science Block D Project #235067	-	132,999	(132,999)	-	-
Rationalisation Hostel Dorms project #234625	-	99,002	(11,933)	-	87,069
Student Toilet Refurbishment Project #233318	-	71,523	(6,600)	-	64,923
Reroof Library, Tech Block, Shed Project #233317	-	33,893	(6,300)	-	27,593
Totals	<u>255,146</u>	<u>458,652</u>	<u>(634,213)</u>	<u>100,000</u>	<u>179,585</u>

Represented by:

Funds Held on Behalf of the Ministry of Education

179,585

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Tennis Court Resurface #222086/230811	15,535	164,291	(37,174)	-	142,652
Boiler Replacement Project #225999	27,073	734,426	(688,041)	-	73,458
Learning Co-ordinators Office Project #220494	(2,770)	63,967	(60,101)	-	1,096
Special Needs Block F	(1,500)	-	-	-	(1,500)
Visually Upgrade Project #231839	-	33,750	(19,807)	-	13,943
5 Year Property Plan	-	25,497	-	-	25,497
Totals	38,338	1,021,931	(805,123)	-	255,146

Represented by:

Funds Held on Behalf of the Ministry of Education	256,646
Funds Receivable from the Ministry of Education	(1,500)

20. 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.

21. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Rector, Deputy Rector, Assistant Rector and Heads of Departments.

	2022 Actual	2021 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	7,815	4,235
<i>Leadership Team</i>		
Remuneration	1,052,087	1,026,240
Full-time equivalent members	9.00	9.00
Total key management personnel remuneration	1,059,902	1,030,475

There are 7 members of the Board excluding the Rector. The Board had held 13 full meetings of the Board in the year. The Board also has one Finance and one Property member 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	2021 Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	0 - 5	0 - 10
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	2022 FTE Number	2021 FTE Number
\$000		
100 -110	7.00	6.00
110 -120	2.00	2.00
120 - 130	1.00	-
	10.00	8.00

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

22. 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 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	\$ 13,954	\$ -
Number of People	1	-

23. 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.

24. Commitments

(a) Capital Commitments

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

(a) The School has contracted for the Rationalisation of Hostel Dormitories (Anzac Cove and Quinns Post) project. The total cost of the project is estimated to be \$118,335. The project is fully funded by the Ministry of Education. An amount of \$99,002 has been received from the Ministry for this project, of which \$11,933 has been spent on the project by balance date. This project has been approved by the Ministry.

(b) The school has contracted for Student Toilets and Agriculture Classroom upgrade Project design fees. The total cost of this design project is estimated to be \$71,523, which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry. An amount of \$71,523 has been received from the Ministry for this project (being the full design fee release), of which \$6,600 has been spent on the project to balance date. This project has been approved by the Ministry.

(c) The school has contracted for Blocks A, B, C and 19 Roofing Works Project design fees. The total cost of this design project is estimated to be \$33,893, which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry. An amount of \$33,893 has been received from the Ministry for this project (being the full design fee release), of which \$6,300 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments in relation to Ministry projects at 31 December 2021: \$255,146)

(b) Operating Commitments

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

(Operating commitments at 31 December 2021: nil)

25. 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	863,478	847,747	713,754
Receivables	277,774	380,963	380,963
Investments - Term Deposits	475,185	480,555	480,555
Total Financial assets measured at amortised cost	<u>1,616,437</u>	<u>1,709,265</u>	<u>1,575,272</u>

Financial liabilities measured at amortised cost

Payables	411,473	464,494	464,494
Borrowings - Loans	-	100,000	100,000
Finance Leases	66,006	82,892	82,892
Total Financial liabilities measured at amortised Cost	<u>477,479</u>	<u>647,386</u>	<u>647,386</u>



26. Events After Balance Date

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

27. Comparatives

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



WAITAKI BOYS' HIGH SCHOOL

"INSPIRING YOUNG MEN OF OUTSTANDING CHARACTER"

13 December 2023

Compliance with the Good Employer Policy

The School Board:

- Has developed and implemented appropriate policies which promote high levels of staff performance and recognise the needs of students;
- Has reviewed its compliance with these policies and can report that it meets all the requirements identified and is in accordance with best practice;
- Is a good employer and complies with all conditions included within employee contracts;
- Ensures all employees are treated fairly, without bias or discrimination;
- Meets all EEO requirements.



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