

# TE PUKE INTERMEDIATE SCHOOL

## ANNUAL REPORT



## FOR THE YEAR ENDED 31 DECEMBER 2022

Ministry Number:	2015
Principal:	Jillian Weldon
School Address:	133 Cameron Road, Te Puke 3119
School Postal Address:	133 Cameron Road, Te Puke 3119
School Phone:	07 573 9352
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Accountant / Service Provider:	Accounting For Schools Limited

# TE PUKE INTERMEDIATE SCHOOL

Annual Report - For the year ended 31 December 2022

## Index

<b>Page</b>	<b>Statement</b>
	<b>Financial Statements</b>
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 11	Statement of Accounting Policies
12 - 20	Notes to the Financial Statements
	<b>Other Information</b>
21	Members of the Board
22	Kiwisport / Statement of Compliance with Employment Policy
	Analysis of Variance

# TE PUKE INTERMEDIATE 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.

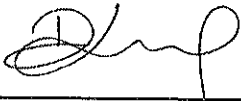
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

Rebecca Jan Keating

Full Name of Presiding Member



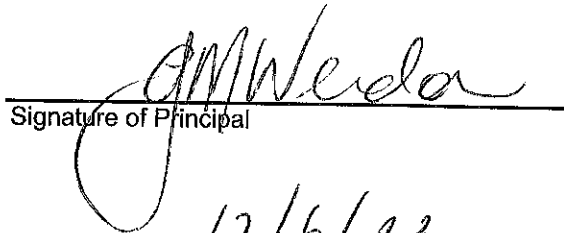
Signature of Presiding Member

13/06/2023

Date:

Jillian Marie Weldon

Full Name of Principal



Signature of Principal

Date:

12/6/23

**TE PUKE INTERMEDIATE 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	4,884,993	3,931,164	4,664,138
Locally Raised Funds	3	270,718	154,000	248,621
Interest income		19,799	6,000	4,262
		<u>5,175,510</u>	<u>4,091,164</u>	<u>4,917,021</u>
<b>Expenses</b>				
Locally Raised Funds	3	177,632	131,000	174,728
Learning Resources	4	3,059,296	2,640,263	3,094,016
Administration	5	734,612	237,650	590,967
Finance		1,776	1,600	1,455
Property	6	976,240	1,140,700	883,078
Loss on Disposal of Property, Plant and Equipment		-	-	659
		<u>4,949,556</u>	<u>4,151,213</u>	<u>4,744,903</u>
<b>Net Surplus / (Deficit) for the year</b>		225,954	(60,049)	172,118
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>225,954</u>	<u>(60,049)</u>	<u>172,118</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.



**TE PUKE INTERMEDIATE SCHOOL**  
Statement of Changes in Net Assets/Equity  
For the year ended 31 December 2022

	Actual 2022 \$	Budget (Unaudited) 2022 \$	Actual 2021 \$
<b>Balance at 1 January</b>	1,383,564	1,383,564	1,211,446
Total comprehensive revenue and expense for the year	225,954	(60,049)	172,118
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	21,113	-	-
<b>Equity at 31 December</b>	<u>1,630,631</u>	<u>1,323,515</u>	<u>1,383,564</u>
Accumulated Comprehensive Revenue and Expense	1,630,631	1,323,515	1,383,564
<b>Equity at 31 December</b>	<u>1,630,631</u>	<u>1,323,515</u>	<u>1,383,564</u>

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.



# TE PUKE INTERMEDIATE 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	7	790,054	502,741	546,775
Accounts Receivable	8	260,105	249,514	249,514
GST Receivable		11,147	20,811	20,805
Investments	10	600,000	600,000	600,000
Prepayments		4,000	-	-
Inventories	9	3,759	11,942	11,942
Funds receivable for Capital Works Projects	17	24,710	-	29,647
		<u>1,693,775</u>	<u>1,385,008</u>	<u>1,458,683</u>
<b>Current Liabilities</b>				
Accounts Payable	12	384,293	301,776	302,558
Borrowings	13	15,030	-	19,376
Revenue Received in Advance	14	13,388	13,461	12,679
Provision for Cyclical Maintenance	15	58,992	113,354	113,354
Finance Lease Liability - Current Portion	16	15,527	32,805	13,561
Funds held for Capital Works Projects	17	20,396	11,859	41,506
		<u>507,626</u>	<u>473,255</u>	<u>503,034</u>
<b>Working Capital Surplus/(Deficit)</b>		1,186,149	911,753	955,649
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	577,745	544,404	560,424
		<u>577,745</u>	<u>544,404</u>	<u>560,424</u>
<b>Non-current Liabilities</b>				
Borrowings	13	57,630	82,183	72,660
Provision for Cyclical Maintenance	15	52,731	31,083	31,083
Finance Lease Liability	16	22,902	19,376	28,766
		<u>133,263</u>	<u>132,642</u>	<u>132,509</u>
<b>Net Assets</b>		<u>1,630,631</u>	<u>1,323,515</u>	<u>1,383,564</u>
<b>Equity</b>		<u>1,630,631</u>	<u>1,323,515</u>	<u>1,383,564</u>

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



# TE PUKE INTERMEDIATE 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		1,275,408	1,092,807	1,725,422
Locally Raised Funds		291,226	200,735	228,632
Goods and Services Tax (net)		9,652	(6)	(40,032)
Payments to Employees		(604,449)	(569,663)	(789,144)
Payments to Suppliers		(631,464)	(788,402)	(944,531)
Interest Paid		(1,776)	(1,600)	(1,455)
Interest Received		19,202	6,074	4,188
Net cash from/(to) Operating Activities		357,799	(60,055)	183,080
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		5,503	-	4,844
Purchase of Property Plant & Equipment (and Intangibles)		(89,817)	(85,134)	(239,025)
Purchase of Investments		-	-	(600,000)
Net cash from/(to) Investing Activities		(84,314)	(85,134)	(834,181)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		21,113	-	-
Finance Lease Payments		(15,770)	111,008	19,702
Loans Received/ Repayment of Loans		(19,376)	(9,853)	92,036
Funds Held for Capital Works Projects		(16,173)	-	(246,116)
Net cash from/(to) Financing Activities		(30,206)	101,155	(134,378)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>243,279</b>	<b>(44,034)</b>	<b>(785,479)</b>
Cash and cash equivalents at the beginning of the year	7	546,775	546,775	1,332,254
<b>Cash and cash equivalents at the end of the year</b>	7	<b>790,054</b>	<b>502,741</b>	<b>546,775</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.



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 1. Statement of Accounting Policies

#### a) Reporting Entity

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

#### b) Basis of Preparation

##### *Reporting Period*

The financial reports have been prepared for the period 1 January 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 dollar.

##### *Specific Accounting Policies*

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

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

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

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

##### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.





# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 1. Statement of Accounting Policies

#### *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 16. 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.



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 1. Statement of Accounting Policies

#### **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) Investment**

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.



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 1. Statement of Accounting Policies

#### j) 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 to Crown Owned Assets	10-75 years
Furniture and equipment	10-15 years
Information and communication technology	4-5 years
Motor vehicles	5-10 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

#### 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.



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 1. Statement of Accounting Policies

#### l) Employee Entitlements

##### *Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and also 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 international 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) 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 School 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.



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 1. Statement of Accounting Policies

#### p) Financial Instruments

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

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

#### q) Borrowing

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

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

#### r) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

#### s) Budget Figures

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

#### t) Services received in-kind

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



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 2. Government Grants

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	1,780,835	1,146,664	1,653,308
Teachers' Salaries Grants	2,373,417	1,926,000	2,241,317
Use of Land and Buildings Grants	713,520	850,000	685,221
Transport grants	5,934	-	4,055
Other Government Grants	11,287	8,500	80,237
	<u>4,884,993</u>	<u>3,931,164</u>	<u>4,664,138</u>

### 3. Locally Raised Funds

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations & Bequests	23,757	10,000	19,733
Fees for Extra Curricular Activities	142,399	91,000	108,457
Trading	25,071	25,000	86,588
Fundraising & Community Grants	79,491	28,000	33,843
	<u>270,718</u>	<u>154,000</u>	<u>248,621</u>
<b>Expenses</b>			
Extra Curricular Activities Cost	146,775	110,000	105,692
Trading	25,893	17,000	65,885
Fundraising and Community Grant Costs	4,964	4,000	2,251
International Student - Other Expenses	-	-	900
	<u>177,632</u>	<u>131,000</u>	<u>174,728</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>93,086</u>	<u>23,000</u>	<u>73,893</u>

### 4. Learning Resources

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	121,663	130,550	116,820
Depreciation	88,550	91,020	96,166
Information and Communication Technology	33,134	37,800	35,673
Library Resources	-	5,000	-
Employee Benefits - Salaries	2,808,215	2,368,893	2,841,461
Staff Development	7,734	7,000	3,896
	<u>3,059,296</u>	<u>2,640,263</u>	<u>3,094,016</u>



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,279	6,400	7,620
Board of Trustees Fees	4,765	5,050	4,690
Board of Trustees Expenses	17,375	19,500	9,896
Communication	8,732	13,700	9,735
Consumables	5,278	5,100	5,256
Healthy School Lunches Expenses	520,962	-	398,334
Operating Lease	1,454	9,600	516
Other	53,018	95,900	42,119
Employee Benefits - Salaries	114,801	76,600	110,878
Insurance	1,948	5,800	1,923
	<u>734,612</u>	<u>237,650</u>	<u>590,967</u>

### 6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	35,012	40,000	32,536
Cyclical Maintenance Provision	(32,714)	-	(25,524)
Grounds	9,143	11,500	10,255
Heat, Light and Water	41,445	49,000	47,724
Rates	14,365	16,000	14,362
Repairs and Maintenance	109,586	99,200	39,359
Use of Land and Buildings	713,520	850,000	685,221
Security	9,938	8,500	8,430
Employee Benefits - Salaries	75,945	66,500	70,715
	<u>976,240</u>	<u>1,140,700</u>	<u>883,078</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.



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Cash on Hand	100	100	100
Bank Current Account	94,738	26,941	158,076
Bank Call Account	106,614	388,600	205,680
Short-term Bank Deposits	588,602	87,100	182,919
	<u>790,054</u>	<u>502,741</u>	<u>546,775</u>

Cash and cash equivalents for Statement of Cash Flows

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

Of the \$790,054 Cash and Cash Equivalents, \$20,396 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2023 on Crown owned school buildings under the School's Five Year Property Plan.

### 8. Accounts Receivable

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Receivables	29,184	13,650	59,603
Receivables from the Ministry of Education	10,620	-	13,650
Interest Receivable	671	-	74
Teacher Salaries Grant Receivable	219,630	235,864	176,187
	<u>260,105</u>	<u>249,514</u>	<u>249,514</u>
Receivables from Exchange Transactions	29,855	13,650	59,677
Receivables from Non-Exchange Transactions	230,250	235,864	189,837
	<u>260,105</u>	<u>249,514</u>	<u>249,514</u>

### 9. Inventories

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Stationery	1,301	-	1,287
School Uniforms	2,458	11,942	10,655
	<u>3,759</u>	<u>11,942</u>	<u>11,942</u>

### 10. Investments

The School's investment activities are classified as follows:

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Current Asset			
Short-term Bank Deposits	600,000	600,000	600,000





# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
<b>2022</b>	\$					\$
Buildings	204,036	40,000	-	-	(10,280)	233,756
Furniture and Equipment	147,484	17,852	-	-	(26,276)	139,060
Information Technology	135,615	33,234	-	-	(28,415)	140,434
Motor Vehicles	18,213	-	-	-	(5,243)	12,970
Leased Assets	40,586	11,873	-	-	(16,313)	36,144
Library Resources	14,490	2,915	-	-	(2,024)	15,381
<b>Balance at 31 December</b>	<b>560,424</b>	<b>105,874</b>	<b>-</b>	<b>-</b>	<b>(88,550)</b>	<b>577,745</b>

The net carrying value of equipment held under a finance lease is \$36,144 (2021: \$40,586).

	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value
<b>2022</b>	\$	\$	\$	\$	\$	\$
Buildings	315,564	(81,808)	233,756	275,564	(71,528)	204,036
Furniture and Equipment	903,177	(764,117)	139,060	885,326	(737,842)	147,484
Information Technology	663,982	(523,548)	140,434	630,748	(495,133)	135,615
Motor Vehicles	76,960	(63,990)	12,970	76,960	(58,747)	18,213
Leased Assets	113,026	(76,882)	36,144	101,154	(60,568)	40,586
Library Resources	87,673	(72,292)	15,381	84,758	(70,268)	14,490
<b>Balance at 31 December</b>	<b>2,160,382</b>	<b>(1,582,637)</b>	<b>577,745</b>	<b>2,054,510</b>	<b>(1,494,086)</b>	<b>560,424</b>

### 12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	17,515	36,403	37,185
Accruals	34,667	6,000	6,000
Banking Staffing Overuse	61,822	62,357	62,357
Employee Entitlements - Salaries	266,308	11,944	185,072
Employee Entitlements - Leave Accrual	3,981	185,072	11,944
	<b>384,293</b>	<b>301,776</b>	<b>302,558</b>
Payables for Exchange Transactions	384,293	301,776	302,558
	<b>384,293</b>	<b>301,776</b>	<b>302,558</b>

The carrying value of payables approximates their fair value.



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 13. Borrowings

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Due in One Year	15,030	-	19,376
Due Beyond One Year	57,630	82,183	72,660
	<u>72,660</u>	<u>82,183</u>	<u>92,036</u>

The school has borrowings at 31 December 2022 of \$72,660 (31 December 2021 \$92,036). This loan is from the Energy Efficiency and Conservation Authority (EECA) for LED Lighting. The loan is unsecured and is interest free.

### 14. Revenue Received in Advance

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Other	13,388	13,461	12,679
	<u>13,388</u>	<u>13,461</u>	<u>12,679</u>

### 15. Provision for Cyclical Maintenance

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Provision at the Start of the Year	144,437	144,437	169,961
Increase/ (decrease) to the Provision During the Year	(32,714)	-	(25,524)
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>111,723</u>	<u>144,437</u>	<u>144,437</u>
Cyclical Maintenance - Current	58,992	113,354	113,354
Cyclical Maintenance - Non Current	52,731	31,083	31,083
	<u>111,723</u>	<u>144,437</u>	<u>144,437</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.



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 16. 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	16,876	32,805	14,750
Later than One Year and no Later than Five Years	23,520	19,376	29,617
Future Finance Charges	(1,967)	-	(2,040)
	<u>38,429</u>	<u>52,181</u>	<u>42,327</u>

Represented by

Finance lease liability - Current	15,527	32,805	13,561
Finance lease liability - Non Current	22,902	19,376	28,766
	<u>38,429</u>	<u>52,181</u>	<u>42,327</u>

### 17. 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 projects is included under cash and cash equivalents in note 7.

2022		Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions/ Write-off \$	Closing Balances \$
MOE: 5YA Drainage	<i>in progress</i>	24,320	-	(3,924)	-	20,396
MOE: 5YA D Block Toilet	<i>completed</i>	(29,647)	-	(2,928)	32,575	-
MOE: SIP Projects - Playground	<i>completed</i>	43,313	-	(47,912)	4,599	-
MOE: SIP Projects - Admin	<i>completed</i>	(26,127)	10,610	-	15,517	-
MOE: Boiler upgrade	<i>completed</i>	-	21,278	(21,278)	-	-
MOE: 5YA Replacement Carpet	<i>completed</i>	-	49,102	(62,561)	13,459	-
MOE: Fire Remediation	<i>in progress</i>	-	-	(24,710)	-	(24,710)
Totals		<u>11,859</u>	<u>80,990</u>	<u>(163,313)</u>	<u>66,150</u>	<u>(4,314)</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	20,396
Funds Due from the Ministry of Education	(24,710)
	<u>4,314</u>

2021		Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
MOE: 5YA Drainage	<i>in progress</i>	63,643	-	(39,323)	-	24,320
MOE: 5YA D Block Toilet	<i>in progress</i>	156,303	-	(185,950)	-	(29,647)
MOE: SIP Projects	<i>in progress</i>	43,313	95,493	(121,620)	-	17,186
MOE: Boiler upgrade		(5,284)	-	-	5,284	-
Totals		<u>257,975</u>	<u>95,493</u>	<u>(346,893)</u>	<u>5,284</u>	<u>11,859</u>



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 18. 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.

### 19. Remuneration

#### Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	4,765	4,690
<i>Leadership Team</i>		
Remuneration	384,251	372,072
Full-time equivalent members	3	3
Total key management personnel remuneration	389,016	376,762
Total full-time equivalent personnel	3	3

There are 8 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has 2 members on the Finance committee and 3 members on the Property committee, which meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

#### Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160 - 170	150 - 160
Benefits and Other Emoluments	4 - 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	4	3
		4	3
		4	3

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



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 20. 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).

#### Teacher Aide & Support Staff Settlement Wash Up

In 2022 the Ministry of Education provided additional funding for both the support staff in School's Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School is yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2022. The Ministry is in the process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is confirmed, the amount to be received is not known with a high level of certainty. The School has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023.

#### Holidays Act Compliance – schools payroll

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

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

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

### 21. Commitments

#### (a) Capital Commitments

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

(a) to rectify drainage system. This project is fully funded by the Ministry and \$108,000 has been received of which \$87,604 has been spent on the project to balance date.

(Capital commitments at 31 December 2021: Nil)



# TE PUKE INTERMEDIATE SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2022

### 22. Financial Instruments

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Financial assets measured at amortised cost</b>			
Cash and Cash Equivalents	790,054	502,741	546,775
Receivables	260,105	249,514	249,514
Investments - Term Deposits	600,000	600,000	600,000
<b>Total Financial assets measured at amortised cost</b>	<b>1,650,159</b>	<b>1,352,255</b>	<b>1,396,289</b>
<b>Financial liabilities measured at amortised cost</b>			
Payables	384,293	301,776	302,558
Borrowings - Loans	72,660	82,183	92,036
Finance Leases	38,429	52,181	42,327
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>495,382</b>	<b>436,140</b>	<b>436,921</b>

### 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.



## TE PUKE INTERMEDIATE SCHOOL

Members of the Board

For the year ended 31 December 2022

Name	Position	How position on Board gained	Term expired/expires
Rebecca Keating	Presiding Member	Re-elected	June 2025
Jill Weldon	Principal		
Neena Chauhan	Parent Representative	Co-opted	June 2025
Jo Matthews	Staff Representative	Re-elected	June 2025
Dail Walding	Staff Representative	Elected	June 2025
Conrad Wanoa	Parent Representative	Elected	June 2025
Mark Deacon	Parent Representative	Elected	June 2025
Manjot Kaur	Parent Representative	Selected	June 2025
Rosa-Anna Feist	Parent Representative	Elected	June 2022
Wayne Gibbons	Parent Representative	Elected	June 2022
Jonelle Crone	Staff Representative	Elected	June 2022

# TE PUKE INTERMEDIATE SCHOOL

## Kiwisport / Statement of Compliance with Employment Policy For the year ended 31 December 2022

### Kiwisport Funding Statement 2022

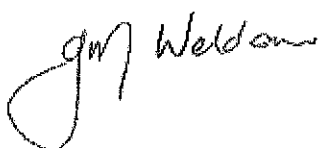
To whom it may concern

Te Puke Intermediate received \$6260 Kiwisport funding which contributed to the salary of our Sport Director.

The role of the Sport Director is to:

- Provide the planning for Physical Education across the school.
- To model lessons and grow capability in staff to deliver the curriculum.
- Organise all social sporting and EOTC activity in our school.
- Coordinate all elite sporting competitions in our school.
- To write, administer and assess all job descriptions, coaching programmes and outcomes of all our elite team coaches.
- To facilitate our Sport Ed programme for gifted and talented athletes.
- To lead the BOP/Poverty Bay Inter-Intermediate Sporting Association.
- To run on our behalf, the sporting events in the Inter-Intermediate calendar we are responsible for.
- In order to maintain the quality and level of expertise we require we employ a qualified PE teacher in this position. The Kiwisport funding contributes to this salary which is part BOT funded.

Yours sincerely



Mrs Jill Weldon  
Principal

### Statement of Compliance with Employment Policy

For the year ended 31 December 2022 the Te Puke Intermediate 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 contract 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 TE PUKE INTERMEDIATE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Te Puke Intermediate School (the School). The Auditor-General has appointed me, Fraser Lellman, 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 29 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.

**PARTNERS:** Fraser Lellman CA Janine Hellyer CA Paul Manning CA Donna Taylor CA Linda Finlay CA Michael Lim CA

BDO New Zealand Ltd, a New Zealand limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO New Zealand is a national association of independent member firms which operate as separate legal entities.

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 arise 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.



Fraser Lellman  
BDO Tauranga  
On behalf of the Auditor-General  
Tauranga, New Zealand