

# GORGE ROAD SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

**Ministry Number:** 3957

**Principal:** Jenny Craig

**School Address:** 4 Factory Road, Invercargill

**School Postal Address:** Factory Road, R D 5, Invercargill 9875

**School Phone:** (03) 239 5763

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

#### Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Dianne McFaul	Presiding Member	Co-opted	May-22
Jenny Craig	Principal ex Officio		
Jo Bruce	Parent Representative	Elected	May-22
Thomas Mead	Parent Representative	Elected	May-22
Andre Egbers	Parent Representative	Elected	May-22
Reza Abdul Jabbar	Parent Representative	Co-opted	May-22
Sharon Evans	Staff Representative	Elected	May-22

**Accountant / Service Provider:** Maggie Turnhout

# GORGE ROAD SCHOOL

Annual Report - For the year ended 31 December 2021

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# Gorge Road School

## Statement of Responsibility

For the year ended 31 December 2021

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

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

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

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

Dianne McFaul  
Full Name of Presiding Member

  
Signature of Presiding Member

13.05.22  
Date:

Jenny Craig  
Full Name of Principal

  
Signature of Principal

13.05.22  
Date:

# Gorge Road School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	484,226	530,837	509,440
Locally Raised Funds	3	35,554	31,262	30,653
Interest income		1,161	3,155	2,880
		<u>520,941</u>	<u>565,254</u>	<u>542,973</u>
<b>Expenses</b>				
Locally Raised Funds	3	20,086	17,552	31,577
Learning Resources	4	339,340	340,912	302,953
Administration	5	35,406	36,120	30,950
Finance		149	150	143
Property	6	94,684	156,778	176,066
Depreciation	11	7,956	10,000	8,133
Loss on Disposal of Property, Plant and Equipment		-	-	2
		<u>497,621</u>	<u>561,512</u>	<u>549,824</u>
<b>Net Surplus / (Deficit) for the year</b>		23,320	3,742	(6,851)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>23,320</u></u>	<u><u>3,742</u></u>	<u><u>(6,851)</u></u>

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

# Gorge Road School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

Notes	Actual 2021 \$	Budget (Unaudited) 2021 \$	Actual 2020 \$
<b>Equity at 1 January</b>	<u>187,212</u>	<u>187,213</u>	<u>194,063</u>
Total comprehensive revenue and expense for the year	23,320	3,742	(6,851)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	1,611	-	-
<b>Equity at 31 December</b>	<u>212,143</u>	<u>190,955</u>	<u>187,212</u>
Retained Earnings	212,143	190,955	187,212
<b>Equity at 31 December</b>	<u>212,143</u>	<u>190,955</u>	<u>187,212</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.

# Gorge Road School

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	59,383	158,206	143,600
Accounts Receivable	8	23,600	19,614	19,614
GST Receivable		1,840	-	-
Inventories	9	925	785	785
Investments	10	102,216	57,838	57,838
Funds owing for Capital Works Projects	15	-	3,519	3,519
		<u>187,964</u>	<u>239,962</u>	<u>225,356</u>
<b>Current Liabilities</b>				
GST Payable		-	5,636	5,637
Accounts Payable	12	29,780	29,636	29,636
Provision for Cyclical Maintenance	13	-	62,782	60,958
Finance Lease Liability	14	3,036	756	960
Funds held for Capital Works Projects	15	10,573	-	-
		<u>43,389</u>	<u>98,810</u>	<u>97,191</u>
<b>Working Capital Surplus/(Deficit)</b>		144,575	141,152	128,165
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	76,695	58,857	68,857
		<u>76,695</u>	<u>58,857</u>	<u>68,857</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	-	8,667	8,667
Finance Lease Liability	14	9,127	387	1,143
		<u>9,127</u>	<u>9,054</u>	<u>9,810</u>
<b>Net Assets</b>		<u>212,143</u>	<u>190,955</u>	<u>187,212</u>
<b>Equity</b>		<u>212,143</u>	<u>190,955</u>	<u>187,212</u>

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

# Gorge Road School

## Statement of Cash Flows

For the year ended 31 December 2021

	2021	2021 Budget	2020
Note	Actual	(Unaudited)	Actual
	\$	\$	\$
<b>Cash flows from Operating Activities</b>			
Government Grants	138,010	131,001	143,759
Locally Raised Funds	32,917	31,262	30,128
Goods and Services Tax (net)	(7,475)	-	18,862
Payments to Employees	(98,866)	(70,895)	(75,029)
Payments to Suppliers	(116,274)	(79,707)	(94,669)
Interest Paid	(98)	(150)	(143)
Interest Received	1,185	3,155	3,968
Net cash from Operating Activities	<u>(50,601)</u>	<u>14,666</u>	<u>26,876</u>
<b>Cash flows from Investing Activities</b>			
Purchase of Property Plant & Equipment (and Intangibles)	(4,396)	-	(5,698)
Investments	(44,378)	-	64,265
Net cash from Investing Activities	<u>(48,774)</u>	<u>-</u>	<u>58,567</u>
<b>Cash flows from Financing Activities</b>			
Furniture and Equipment Grant	1,611	-	-
Finance Lease Payments	(545)	(60)	(166)
Funds Administered on Behalf of Third Parties	14,092	-	(3,519)
Net cash from Financing Activities	<u>15,158</u>	<u>(60)</u>	<u>(3,685)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u><u>(84,217)</u></u>	<u><u>14,606</u></u>	<u><u>81,757</u></u>
Cash and cash equivalents at the beginning of the year	7 143,600	143,600	61,843
<b>Cash and cash equivalents at the end of the year</b>	7 <u><u>59,383</u></u>	<u><u>158,206</u></u>	<u><u>143,600</u></u>

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 Cash Flow Statement should be read in conjunction with the accompanying notes which form part of these financial statements.

# Gorge Road School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

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

##### b) Basis of Preparation

###### *Reporting Period*

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

###### *Basis of Preparation*

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

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

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

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

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

###### *Measurement Base*

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

###### *Presentation Currency*

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

###### *Specific Accounting Policies*

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

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

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

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

###### *Cyclical maintenance*

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

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

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 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. 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 leases are disclosed at note 14.

#### *Recognition of grants*

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

### **c) Revenue Recognition**

#### **Government Grants**

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

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

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

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

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

#### **Other Grants**

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

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

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

#### **Interest Revenue**

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

### **d) 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 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) 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.

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

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

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

#### **Finance Leases**

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

#### **Depreciation**

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

The estimated useful lives of the assets are:

Building School Owned	50 years
Building improvements to Crown Owned Assets	10–20 years
Furniture and equipment	3–25 years
Information and communication technology	3 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

#### **k) Impairment of property, plant, and equipment and intangible assets**

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

#### **Non cash generating assets**

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

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

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

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

#### **l) 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.

#### **m) 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.

#### **n) 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 for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

#### **o) Financial Instruments**

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

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

The School's financial liabilities comprise accounts payable, 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.

#### **p) Borrowings**

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

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

#### **q) 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.

#### **r) Budget Figures**

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

#### **s) Services received in-kind**

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

## 2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	114,482	102,564	110,173
Teachers' Salaries Grants	250,025	270,000	239,793
Use of Land and Buildings Grants	91,413	125,004	128,019
Other MoE Grants	12,064	22,269	31,455
Other Government Grants	16,242	11,000	-
	<u>484,226</u>	<u>530,837</u>	<u>509,440</u>

## 3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
Donations and Bequests	4,879	3,800	4,079
Curriculum related Activities - Purchase of Goods and Services	1,883	3,210	1,439
Fees for Extra Curricular Activities	12,689	9,100	6,605
Trading	2,520	2,051	4,849
Fundraising and Community Grants	1,752	1,001	2,216
Rent Received	10,850	10,000	10,490
Other Revenue	981	2,100	976
	<u>35,554</u>	<u>31,262</u>	<u>30,653</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	11,098	9,100	6,878
Trading	1,974	2,151	4,250
Fundraising and Community Grant Costs	-	1	209
Rental Costs	7,014	6,300	20,239
	<u>20,086</u>	<u>17,552</u>	<u>31,577</u>
	<u>15,468</u>	<u>13,710</u>	<u>(923)</u>

*Surplus/ (Deficit) for the year Locally raised funds*

## 4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	12,485	19,401	6,796
Equipment Repairs	-	100	103
Information and Communication Technology	991	1,434	1,359
Library Resources	100	250	12
Employee Benefits - Salaries	321,896	315,827	293,486
Staff Development	3,868	3,900	1,198
	<u>339,340</u>	<u>340,912</u>	<u>302,953</u>

## 5. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Audit Fee	4,500	2,700	3,022
Board of Trustees Fees	1,075	1,500	1,025
Board of Trustees Expenses	555	1,350	496
Communication	1,435	1,500	1,465
Consumables	774	1,000	1,075
Operating Lease	2,846	3,000	3,611
Other	7,998	6,870	6,710
Employee Benefits - Salaries	15,223	17,000	12,547
Service Providers, Contractors and Consultancy	1,000	1,200	1,000
	<u>35,406</u>	<u>36,120</u>	<u>30,950</u>

## 6. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Caretaking and Cleaning Consumables	1,047	1,000	1,156
Consultancy and Contract Services	852	850	852
Cyclical Maintenance Provision	(33,975)	1,824	1,821
Grounds	2,098	4,000	3,450
Heat, Light and Water	7,525	8,500	6,370
Rates	1,190	1,300	1,542
Repairs and Maintenance	12,762	2,300	20,136
Use of Land and Buildings	91,413	125,004	128,019
Employee Benefits - Salaries	11,772	12,000	12,722
	<u>94,684</u>	<u>156,778</u>	<u>176,066</u>

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

## 7. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Bank Accounts	59,383	114,775	100,169
Short-term Bank Deposits	-	43,431	43,431
Cash and cash equivalents for Cash Flow Statement	<u>59,383</u>	<u>158,206</u>	<u>143,600</u>

Of the **\$59,383** Cash and Cash Equivalents, **\$10,573** is held by the School on behalf of the Ministry of Education. These funds are required to be spent in **2022** on Crown owned school buildings under the School's Five Year Property Plan.

## 8. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	3,162	525	525
Interest Receivable	207	231	231
Teacher Salaries Grant Receivable	20,231	18,858	18,858
	<u>23,600</u>	<u>19,614</u>	<u>19,614</u>
Receivables from Exchange Transactions	3,369	756	756
Receivables from Non-Exchange Transactions	20,231	18,858	18,858
	<u>23,600</u>	<u>19,614</u>	<u>19,614</u>

## 9. Inventories

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	879	656	656
Canteen	46	129	129
	<u>925</u>	<u>785</u>	<u>785</u>

## 10. Investments

The School's investment activities are classified as follows:

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	102,216	57,838	57,838
Total Investments	<u>102,216</u>	<u>57,838</u>	<u>57,838</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	37,675	-	-	-	(1,100)	<b>36,575</b>
Building Improvements	14,626	-	-	-	(1,195)	<b>13,431</b>
Furniture and Equipment	9,847	-	-	-	(2,601)	<b>7,245</b>
Information and Communication Technology	260	3,674	-	-	(880)	<b>3,054</b>
Leased Assets	2,042	11,400	-	-	(1,539)	<b>11,903</b>
Library Resources	4,407	720	-	-	(641)	<b>4,487</b>
<b>Balance at 31 December 2021</b>	<b>68,857</b>	<b>15,794</b>	<b>-</b>	<b>-</b>	<b>(7,956)</b>	<b>76,695</b>

	2021 Cost or \$	2021 Accumulated \$	2021 Net Book \$	2020 Cost or \$	2020 Accumulated \$	2020 Net Book \$
Buildings	55,000	(18,425)	<b>36,575</b>	55,000	(17,325)	<b>37,675</b>
Building Improvements	60,889	(47,458)	<b>13,431</b>	60,889	(46,263)	<b>14,626</b>
Furniture and Equipment	217,193	(209,948)	<b>7,245</b>	246,291	(236,444)	<b>9,847</b>
Information and Communication Technology	8,538	(5,484)	<b>3,054</b>	6,081	(5,821)	<b>260</b>
Leased Assets	14,308	(2,405)	<b>11,903</b>	2,908	(866)	<b>2,042</b>
Library Resources	33,619	(29,132)	<b>4,487</b>	32,899	(28,492)	<b>4,407</b>
<b>Balance at 31 December</b>	<b>389,547</b>	<b>(312,852)</b>	<b>76,695</b>	<b>404,067</b>	<b>(335,210)</b>	<b>68,857</b>

## 12. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	4,049	2,824	2,824
Accruals	5,500	4,022	4,022
Banking Staffing Overuse	-	3,932	3,932
Employee Entitlements - Salaries	20,231	18,858	18,858
	<b>29,780</b>	<b>29,636</b>	<b>29,636</b>
Payables for Exchange Transactions	29,780	29,636	29,636
	<b>29,780</b>	<b>29,636</b>	<b>29,636</b>

The carrying value of payables approximates their fair value.

### 13. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	69,625	69,625	67,804
Increase/ (decrease) to the Provision During the Year	(33,975)	1,824	1,821
Use of the Provision During the Year	(35,650)	-	-
Provision at the End of the Year	-	71,449	69,625
Cyclical Maintenance - Current	-	62,782	60,958
Cyclical Maintenance - Term	-	8,667	8,667
	-	71,449	69,625

### 14. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	3,103	756	1,109
Later than One Year and no Later than Five Years	9,144	387	1,227
Future Finance Charges	(84)		(233)
	12,163	1,143	2,103

### 15. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
LSC Office Upgrade	<i>in progress</i>	-	66,553	(55,980)	-	10,573
Food Tech & Staffroom Upgrade	<i>completed</i>	(3,519)	4,467	(948)	-	-
Totals		(3,519)	71,020	(56,928)	-	10,573

#### Represented by:

Funds Held on Behalf of the Ministry of Education	10,573
	<u>10,573</u>

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Water Treatment Upgrade	<i>completed</i>	-	31,235	(31,427)	192	-
Fencing Upgrade	<i>completed</i>	-	13,599	(13,886)	287	-
Replacement Veranda	<i>completed</i>	-	23,645	(23,645)	-	-
Food Tech & Staffroom Upgrade	<i>in progress</i>	-	45,000	(48,519)	-	(3,519)
Totals		-	113,479	(117,477)	479	(3,519)



## 16. Related Party Transactions

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

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

## 17. Remuneration

### *Key management personnel compensation*

Key management personnel of the School include all trustees of the Board, Principal and a teacher.

	<b>2021 Actual \$</b>	<b>2020 Actual \$</b>
<i>Board Members</i>		
Remuneration	1,075	1,025
Full-time equivalent members	0.03	0.03
<i>Leadership Team</i>		
Remuneration	204,723	200,229
Full-time equivalent members	2	2
Total key management personnel remuneration	<u>205,798</u>	<u>201,254</u>
Total full-time equivalent personnel	<u>2.03</u>	<u>2.03</u>

There are 6 members of the Board excluding the Principal. The Board has held 6 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair 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:

	<b>2021 Actual \$000</b>	<b>2020 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110 - 120	110 - 120
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	-	-

### *Other Employees*

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

<b>Remuneration \$000</b>	<b>2021 FTE Number</b>	<b>2020 FTE Number</b>
110 - 120	-	-
100 - 110	-	-
	<u>-</u>	<u>-</u>

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

## 18. Compensation and Other Benefits Upon Leaving

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

	2021 Actual	2020 Actual
Total	-	-
Number of People	-	-

## 19. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

## 20. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has entered into the following contract agreement for capital works.

(a) \$82,500 contract for the learning support co-ordinator office upgrade to be completed in 2022, which will be fully funded by the Ministry of Education. \$66,553 has been received of which \$55,980 has been spent on the project to balance date.

(Capital commitments at 31 December 2020: \$49,500)

### (b) Operating Commitments

As at 31 December 2021 the Board has entered into the following contracts:

(a) operating lease of computer equipment;

	2021 Actual \$	2020 Actual \$
No later than One Year	-	81
	<hr/>	<hr/>
	-	81

## 21. Financial Instruments

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

### Financial assets measured at amortised cost

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	59,383	158,206	143,600
Receivables	23,600	19,614	19,614
Investments - Term Deposits	102,216	57,838	57,838
Total Financial assets measured at amortised cost	<u>185,199</u>	<u>235,658</u>	<u>221,051</u>

### Financial liabilities measured at amortised cost

Payables	29,780	29,636	29,636
Finance Leases	12,163	1,143	2,103
Total Financial Liabilities Measured at Amortised Cost	<u>41,943</u>	<u>30,779</u>	<u>31,738</u>

## 22. Events After Balance Date

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

## 23. Comparatives

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

## **Gorge Road School Kiwisport Statement**

31 December 2021

2021 was once again interrupted by Covid-19. We did manage to have Athletics in Term 1 with only the student's eligible to attend Southland athletics competing. We had Southland Football come to our School and take a coaching lesson as well as REAP for swimming in Term 1. This year we managed to have the whole School attend Zone Cross Country and we sent a Year 6 team to compete in the Netball Festival at the stadium.

Our money this year (\$575) was spent on participating in the netball tournament. Buying a set of quoits for practise for discus throwing and Southern Reap for delivering our swimming survival skills course.