

WARD SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



Ministry Number:	3067
Principal:	Aaron Sangster
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WARD SCHOOL

Annual Report - For the year ended 31 December 2022

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WARD 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.

Full Name of Presiding Member

Full Name of Principal

Signature of Presiding Member

Signature of Principal

Date:

Date:

WARD SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	787,049	682,072	619,347
Locally Raised Funds	3	56,931	33,300	61,278
Interest income		2,908	300	162
		846,888	715,672	680,787
Expenses				
Locally Raised Funds	3	18,707	13,300	16,347
Learning Resources	4	490,623	451,319	398,545
Administration	5	50,586	47,939	44,428
Finance		113	70	245
Property	6	178,563	156,200	146,585
Transport	7	99,900	99,900	81,000
		838,492	768,728	687,150
Net Surplus / (Deficit) for the year		8,396	(53,056)	(6,363)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		8,396	(53,056)	(6,363)

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

WARD SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Balance at 1 January		417,272	417,272	421,726
Total comprehensive revenue and expense for the year		8,396	(53,056)	(6,363)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	1,909
Equity at 31 December		425,668	364,216	417,272
Accumulated comprehensive revenue and expense		425,668	364,216	417,272
Equity at 31 December		425,668	364,216	417,272

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.

WARD SCHOOL

Statement of Financial Position

As at 31 December 2022

		2022	2022	2021
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	8	202,899	126,069	214,143
Accounts Receivable	9	39,390	31,000	20,154
Funds receivable for Capital Works Projects	15	133,191	-	114,208
GST Receivable		5,851	5,700	5,682
Prepayments		6,255	5,000	1,100
Investments	10	50,000	50,000	-
		<u>437,586</u>	<u>217,769</u>	<u>355,287</u>
Current Liabilities				
Accounts Payable	12	46,986	44,820	37,691
Finance Lease Liability	14	302	1,000	2,655
Funds held for Capital Works Projects	14	153,726	-	97,222
		<u>201,014</u>	<u>45,820</u>	<u>137,568</u>
Working Capital Surplus/(Deficit)		236,572	171,949	217,719
Non-current Assets				
Property, Plant and Equipment	11	196,829	200,000	203,721
		<u>196,829</u>	<u>200,000</u>	<u>203,721</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	7,733	7,733	3,867
Finance Lease Liability	14	-	-	301
		<u>7,733</u>	<u>7,733</u>	<u>4,168</u>
Net Assets		<u>425,668</u>	<u>364,216</u>	<u>417,272</u>
Equity		<u>425,668</u>	<u>364,216</u>	<u>417,272</u>

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

WARD SCHOOL

Statement of Cash Flows

For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities				
Government Grants		337,764	272,072	273,708
Locally Raised Funds		40,754	23,460	61,118
Goods and Services Tax (net)		(169)	(19)	1,085
Payments to Employees		(164,554)	(136,389)	(161,643)
Payments to Suppliers		(201,198)	(192,180)	(146,997)
Interest Paid		(113)	(70)	(245)
Interest Received		1,943	(700)	162
Net cash from Operating Activities		14,427	(33,826)	27,188
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(10,537)	(19,279)	(9,957)
Purchase of Investments		(50,000)	(50,000)	-
Net cash from Investing Activities		(60,537)	(69,279)	(9,957)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	1,909
Finance Lease Payments		(2,654)	(1,956)	(5,460)
Funds Administered on Behalf of Third Parties		37,521	16,986	(2,351)
Net cash from Financing Activities		34,867	15,030	(5,902)
Net increase/(decrease) in cash and cash equivalents		(11,243)	(88,075)	11,329
Cash and cash equivalents at the beginning of the year	8	214,143	214,143	202,815
Cash and cash equivalents at the end of the year	8	202,899	126,068	214,143

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.

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Ward 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 & 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.

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

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 14. Future operating lease commitments are disclosed in note 20b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

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 comprise 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 (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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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.

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

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
Board Owned Buildings	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

k) Intangible Assets

Software costs

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

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

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

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

l) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised 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.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

m) 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.

n) Employee Entitlements

Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in surplus or deficit in the period in which they arise.

o) Revenue Received in Advance

Revenue received in advance relates to fees received from [international, hostel students and grants received] (delete as appropriate) 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.

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

p) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

q) 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.

r) Shared Funds

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

s) Provision for Cyclical Maintenance

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

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

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

t) Financial Instruments

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

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

u) 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.

v) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	213,763	155,072	157,096
Teachers' Salaries Grants	333,478	300,000	240,699
Use of Land and Buildings Grants	115,807	110,000	104,940
Transport grants	124,001	117,000	116,612
	<u>787,049</u>	<u>682,072</u>	<u>619,347</u>

The school has opted in to the donations scheme for this year. Total amount received was \$7,050 (2021: \$6,000).

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	32,050	17,700	26,699
Fees for Extra Curricular Activities	12,686	-	10,157
Trading	2,496	6,000	1,522
Fundraising & Community Grants	1,218	1,100	15,100
Other Revenue	981	-	300
Schoolhouse Revenue	7,500	8,500	7,500
	<u>56,931</u>	<u>33,300</u>	<u>61,278</u>
Expenses			
Extra Curricular Activities Costs	12,333	3,500	9,624
Trading	3,719	1,100	1,219
Fundraising and Community Grant Costs	-	1,000	1,173
Schoolhouse Expenses	2,655	7,700	4,331
	<u>18,707</u>	<u>13,300</u>	<u>16,347</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>38,224</u>	<u>20,000</u>	<u>44,931</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	19,472	17,499	10,749
Resource/Attached teacher costs	10,692	10,700	12,356
Library Resources	2,018	450	1,089
Employee Benefits - Salaries	441,012	399,670	351,584
Staff Development	-	-	2,255
Deprecation	17,429	23,000	20,512
	<u>490,623</u>	<u>451,319</u>	<u>398,545</u>

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,135	5,175	4,000
Board of Trustees Fees	2,495	3,000	4,301
Board of Trustees Expenses	2,572	2,700	2,584
Communication	1,804	1,700	1,754
Consumables	4,388	5,700	3,973
Operating Lease	-	600	-
Other	2,077	1,101	2,076
Employee Benefits - Salaries	25,119	20,500	18,622
Insurance	3,745	3,400	3,351
Service Providers, Contractors and Consultancy	4,251	4,063	3,767
	<u>50,586</u>	<u>47,939</u>	<u>44,428</u>

6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	2,649	2,000	1,969
Consultancy and Contract Services	-	1,500	-
Cyclical Maintenance Provision	3,866	1,500	3,867
Grounds	17,746	8,000	3,516
Heat, Light and Water	7,513	6,500	7,349
Rates	478	1,000	500
Repairs and Maintenance	5,592	4,500	3,444
Use of Land and Buildings	115,807	110,000	104,940
Employee Benefits - Salaries	24,912	21,200	21,000
	<u>178,563</u>	<u>156,200</u>	<u>146,585</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.

7. Other Expenses

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Transport	99,900	99,900	81,000
	<u>99,900</u>	<u>99,900</u>	<u>81,000</u>

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

8. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Current Account	184,569	109,068	198,978
Bank Call Account	18,330	17,000	15,165
Cash and cash equivalents for Cash Flow Statement	<u>202,899</u>	<u>126,068</u>	<u>214,143</u>

Of the \$202,899 Cash and Cash Equivalents, \$153,726 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.

9. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	3,000	10,000	160
Receivables from the Ministry of Education	13,337	-	-
Interest Receivable	965	1,000	-
Teacher Salaries Grant Receivable	22,088	20,000	19,994
	<u>39,390</u>	<u>31,000</u>	<u>20,154</u>
Receivables from Exchange Transactions	3,965	11,000	160
Receivables from Non-Exchange Transactions	35,425	20,000	19,994
	<u>39,390</u>	<u>31,000</u>	<u>20,154</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Short-term Bank Deposits	50,000	50,000	-
Total Investments	<u>50,000</u>	<u>50,000</u>	<u>-</u>

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

11. Property, Plant and Equipment

2022	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Buildings & Grounds	178,455	1,648	-	-	(6,775)	173,328
Furniture and Equipment	8,275	14,068	-	-	(5,724)	16,619
Information Technology	5,778	-	-	-	(1,971)	3,807
Leased Assets	2,725	-	-	-	(2,545)	180
Library Resources	3,309	-	-	-	(414)	2,895
Work in Progress	5,179	-	(5,179)	-	-	-
Balance at 31 December 2022	203,721	15,716	(5,179)	-	(17,429)	196,829

The net carrying value of equipment held under a finance lease is \$180 (2021: \$2,725).

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Buildings	303,523	(130,195)	173,328	298,344	(119,889)	178,455
Furniture and Equipment	93,268	(76,649)	16,619	82,732	(74,457)	8,275
Information Technology	35,124	(31,317)	3,807	35,124	(29,346)	5,778
Leased Assets	20,381	(20,201)	180	20,381	(17,656)	2,725
Library Resources	41,328	(38,433)	2,895	41,328	(38,019)	3,309
Work in Progress	-	-	-	5,179	-	5,179
Balance at 31 December	493,624	(296,795)	196,829	483,088	(279,367)	203,721

12. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	16,207	15,000	12,658
Accruals	3,135	3,300	3,500
Employee Entitlements - Salaries	26,135	25,000	19,994
Employee Entitlements - Leave Accrual	1,509	1,520	1,539
	46,986	44,820	37,691
Payables for Exchange Transactions	46,986	44,820	37,691
	46,986	44,820	37,691

The carrying value of payables approximates their fair value.

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

13. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	3,867	-	-
Increase/ (decrease) to the Provision During the Year	3,866	7,733	3,867
Provision at the End of the Year	7,733	7,733	3,867
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Non Current	7,733	7,733	3,867
	7,733	7,733	3,867

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.

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:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	308	1,000	2,771
Later than One Year and no Later than Five Years	-	-	307
Later than Five Years	(6)	-	(122)
Future Finance Charges	302	1,000	2,956
Represented By			
Finance Lease Liability - Current	302	1,000	2,655
Finance Lease Liability - Non Current	-	-	301
	302	1,000	2,956

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Notes to the Financial Statements

For the year ended 31 December 2022

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. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 8.

	2022	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
MOE Accessibility Upgrade		92,663	-	-	-	92,663
MOE Re Roof		(107,147)	-	-	-	(107,147)
Septic Upgrade Project		4,559	-	(975)	-	3,584
Reef ILE Project		(7,061)	-	(16,960)	-	(24,021)
Playground		-	-	(17,521)	75,000	57,479
Rock pool ILE upgrade		-	-	(2,023)	-	(2,023)
Totals		(16,986)	-	(37,479)	75,000	20,535

Represented by:

Funds Held on Behalf of the Ministry of Education	153,726
Funds Due from the Ministry of Education	(133,191)
	<u>20,535</u>

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
MOE Accessibility Upgrade		92,663	-	-	-	92,663
MOE Re Roof		(107,147)	-	-	-	(107,147)
Septic Upgrade Project		6,910	-	(2,351)	-	4,559
Reef ILE Project		(7,061)	-	-	-	(7,061)
Totals		(14,635)	-	(2,351)	-	(16,986)

Represented by:

Funds Held on Behalf of the Ministry of Education	97,222
Funds Due from the Ministry of Education	(114,208)
	<u>(16,986)</u>

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.

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

17. 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	2,495	4,301
<i>Leadership Team</i> Remuneration	112,530	110,768
Total key management personnel remuneration	<u>115,025</u>	<u>115,069</u>

There are 6 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	100 - 110	100 - 110
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

Other Employees

There were no other employees with remuneration greater than \$100,000 (2021: nil).

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:

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

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

19. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

20. Commitments

(a) Capital Commitments

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

- (i) Contract for MOE Accessibility Upgrade to be completed in 2023; and
 - (ii) Contract to have the Roof upgraded, to be completed in 2023, which will be fully funded by the Ministry.
 - (iii) Contract to upgrade the septic tank system. The project is fully funded by the Ministry and \$51,972 has been received of which \$48,388 has been spent on the project to balance date.
 - (iv) Contract for the ILE upgrade. The project is fully funded by the Ministry and \$45,000 has been received of which \$69,021 has been spent on the project to balance date.
 - (v) Contract to upgrade the playground of which \$75,000 has been received and \$17,521 has been spent to date.
- (Capital commitments at 31 December 2021: \$96,972).

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into any contracts (2021: nil).

WARD SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	202,899	126,068	214,143
Receivables	39,390	31,000	20,154
Total Financial assets measured at amortised cost	<u>292,289</u>	<u>207,068</u>	<u>234,297</u>

Financial liabilities measured at amortised cost

Payables	46,986	44,820	37,691
Finance Leases	302	1,000	2,956
Total Financial Liabilities Measured at Amortised Cost	<u>47,288</u>	<u>45,820</u>	<u>40,647</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.

WARD SCHOOL

Members of the Board

For the year ended 31 December 2022

Name	Position	How position on Board gained	Occupation	Term expired/expires
John Hickman	Presiding Member	Elected, Re-elected 2022		May 2025
Carey Huria	Principal	Appointed		Resigned December 2022
Kieran Hickman	Property	Elected		May 2025
Locky Taylor	Personnel	Elected		May 2025
Simon Todhunter	Finance	Elected		May 2025
Hannah Throssell	Health & Safety	Elected		May 2025
Deborah Klenner	Staff	Staff Rep		May 2025
Koko Lambert	Personnel	Elected		September 2022

WARD SCHOOL

Kiwisport Funding

For the year ended 31 December 2022

Kiwisport is a Government funded initiative to support sport for School aged children.

Included in the operations grant for 2022 was funding of \$727 (2021: \$631) to support and enhance student opportunities to participate in sport.