

TE KUITI HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



TE KUITI HIGH SCHOOL

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FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 160

Principal: Gareth Williams

School Address: Hospital Road, Te Kuiti

School Postal Address: P O Box 264, Te Kuiti. 3941

School Phone: 07 878 6292

School Email: ltaylor@tkhs.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Hilary Karaitiana	Presiding Member	Re-Elected	Sep-25
Gareth Williams	Principal	ex Officio	
Jo Randle	Parent Representative	Re-Elected	Sep-25
Nikki Taylor	Parent Representative	Re-Elected	Sep-25
Alton Matthews	Parent Representative	Elected	Sep-25
Sarah McElroy	Parent Representative	Elected	Sep-25
Marama Shearer	Staff Representative	Elected	Sep-25
Blake Matthews	Student Representative	Elected	Sep-23
Brent Ramsey	Parent Representative	Elected	Sep-22
Rhys Brown	Parent Representative	Elected	Sep-22
Teagan Houchen	Staff Representative	Elected	Sep-22
Ayva-Maree Finn-Taylor	Student Representative	Elected	Sep-22

Accountant / Service Provider:

The
SchoolOffice
Accounting Services for Schools

TE KUITI HIGH SCHOOL

Annual Report - For the year ended 31 December 2022

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Te Kuiti High School

Statement of Responsibility

For the year ended 31 December 2022

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the school.

The School's 2022 financial statements are authorised for issue by the Board.

Hilary Karaitiana

Full Name of Presiding Member



Signature of Presiding Member

29/05/2023

Date:

Gareth Williams

Full Name of Principal



Signature of Principal

29/05/2023

Date:

Te Kuiti High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	5,115,213	4,276,533	4,865,187
Locally Raised Funds	3	77,392	48,077	119,258
Interest Income		16,913	10,200	4,914
Gain on Sale of Property, Plant and Equipment		935	-	-
Total Revenue		5,210,453	4,334,810	4,989,359
Expenses				
Locally Raised Funds	3	126,972	75,492	76,253
Learning Resources	4	3,277,043	3,114,524	3,281,594
Administration	5	565,673	248,382	465,393
Finance		5,366	-	4,183
Property	6	934,092	767,516	1,038,560
Loss on Disposal of Property, Plant and Equipment		3,424	-	5,403
		4,912,570	4,205,914	4,871,386
Net Surplus / (Deficit) for the year		297,883	128,896	117,973
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		297,883	128,896	117,973

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 Kuiti High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		2,045,297	2,083,897	1,905,029
Total comprehensive revenue and expense for the year		297,883	128,896	117,973
Contributions from the Ministry of Education		-	-	22,295
Contribution - Furniture and Equipment Grant		-	-	-
Reserves - Scholarship		5,796	-	-
Equity at 31 December		2,348,976	2,212,793	2,045,297
Accumulated comprehensive revenue and expense		2,343,180	2,212,793	2,045,297
Reserves		5,796	-	-
Equity at 31 December		2,348,976	2,212,793	2,045,297

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 Kuiti High School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	1,262,482	979,733	982,619
Accounts Receivable	8	369,529	357,421	363,682
GST Receivable		67,527	30,628	35,444
Prepayments		17,564	12,206	12,206
Inventories	9	56,112	62,621	62,621
Investments	10	435,602	435,603	435,602
Funds Receivable for Capital Works Projects	17	-	-	31,136
		2,208,816	1,878,212	1,923,310
Current Liabilities				
Accounts Payable	12	465,039	392,737	441,499
Revenue Received in Advance	13	25,246	18,608	18,608
Provision for Cyclical Maintenance	14	180,353	-	-
Finance Lease Liability	15	18,380	9,604	18,525
Funds held in Trust	16	100,000	-	-
Funds held for Capital Works Projects	17	658	-	4,784
Funds held on behalf of Transport Network Cluster	18	238,119	180,337	180,337
		1,027,795	601,286	663,753
Working Capital Surplus/(Deficit)		1,181,021	1,276,926	1,259,557
Non-current Assets				
Property, Plant and Equipment	11	1,206,256	1,098,227	975,843
		1,206,256	1,098,227	975,843
Non-current Liabilities				
Provision for Cyclical Maintenance	14	6,667	134,293	134,293
Finance Lease Liability	15	31,634	22,271	50,014
		38,301	156,564	184,307
Net Assets		2,348,976	2,218,589	2,051,093
Equity		2,348,976	2,212,793	2,045,297

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



Te Kuiti High School

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		1,702,130	1,363,304	1,541,760
Locally Raised Funds		75,555	(3,234)	102,996
Goods and Services Tax (net)		(32,083)	3,587	(1,212)
Payments to Employees		(518,513)	(459,157)	(681,339)
Payments to Suppliers		(793,799)	(616,696)	(666,716)
Interest Paid		(5,366)	-	(4,183)
Interest Received		10,094	13,511	8,226
Net cash from/(to) Operating Activities		438,018	301,315	299,532
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		935	-	
Purchase of Property Plant & Equipment (and Intangibles)		(325,357)	(71,310)	(47,034)
Net cash from/(to) Investing Activities		(324,422)	(71,310)	(47,034)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	22,295
Finance Lease Payments		(18,525)	(9,576)	(13,788)
Funds Administered on Behalf of Third Parties		184,792	64,226	26,536
Net cash from/(to) Financing Activities		166,267	54,650	35,043
Net increase/(decrease) in cash and cash equivalents		279,863	284,655	287,541
Cash and cash equivalents at the beginning of the year	7	982,619	695,078	695,078
Cash and cash equivalents at the end of the year	7	1,262,482	979,733	982,619

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 Kuiti High School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

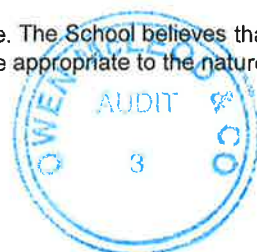
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Cyclical maintenance

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.



Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 23b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.



f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

g) Accounts Receivable

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

h) Inventories

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

i) 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.

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	10–40 years
Buildings	40 years
Furniture and equipment	5–20 years
Information and communication technology	3–5 years
Motor vehicles	5 years
Textbooks	4 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.

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.

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.

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 students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.



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 RTL 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.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

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

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.

w) Services received in-kind

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



2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	1,966,127	1,182,180	1,692,675
Teachers' Salaries Grants	2,507,259	2,508,205	2,522,944
Use of Land and Buildings Grants	540,248	540,248	618,889
Other Government Grants	101,579	45,900	30,679
	<u>5,115,213</u>	<u>4,276,533</u>	<u>4,865,187</u>

The school has opted in to the donations scheme for this year. Total amount received was \$43,650.

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	6,337	1,938	7,229
Fundraising & Community Grants	20,174	-	25,303
Other Revenue	13,800	10,380	6,750
Trading	25,123	28,619	31,748
Fees for Extra Curricular Activities	11,958	7,140	48,228
	<u>77,392</u>	<u>48,077</u>	<u>119,258</u>
Expenses			
Extra Curricular Activities Costs	73,749	37,752	38,598
Trading	49,355	37,740	28,439
Fundraising and Community Grant Costs	2,530	-	2,100
Other Locally Raised Funds Expenditure	1,338	-	7,116
	<u>126,972</u>	<u>75,492</u>	<u>76,253</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>(49,580)</u>	<u>(27,415)</u>	<u>43,005</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	161,394	145,876	98,632
Alternative Education Expenses	66,410	151,620	118,370
Information and Communication Technology	46,148	27,540	43,633
Library Resources	291	-	755
Employee Benefits - Salaries	2,825,037	2,779,288	2,850,510
Staff Development	12,416	10,200	8,798
Depreciation	165,347	-	160,896
	<u>3,277,043</u>	<u>3,114,524</u>	<u>3,281,594</u>



5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	9,865	6,120	6,240
Board Fees	4,176	-	3,295
Board Expenses	6,385	1,020	17,694
Communication	10,970	11,736	19,717
Consumables	11,350	11,028	16,580
Operating Lease	2,005	-	49
Legal Fees	1,026	-	9,028
Other	22,166	17,538	31,791
Healthy Lunches Expenses	373,001	-	184,155
Employee Benefits - Salaries	100,846	183,600	150,365
Insurance	11,151	-	14,975
Service Providers, Contractors and Consultancy	12,732	17,340	11,504
	<u>565,673</u>	<u>248,382</u>	<u>465,393</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	6,391	5,100	5,004
Consultancy and Contract Services	86,973	91,572	89,866
Cyclical Maintenance Provision	52,727	-	46,810
Grounds	39,055	18,780	52,144
Heat, Light and Water	73,721	55,596	79,126
Rates	10,578	9,180	3,185
Repairs and Maintenance	92,223	27,036	81,057
Use of Land and Buildings	540,248	540,248	618,889
Employee Benefits - Salaries	32,176	20,004	62,479
	<u>934,092</u>	<u>767,516</u>	<u>1,038,560</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. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	1,262,482	979,733	982,619
Cash and cash equivalents for Statement of Cash Flows	<u>1,262,482</u>	<u>979,733</u>	<u>982,619</u>

Of the \$1,262,482 Cash and Cash Equivalents, \$658 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

Of the \$1,262,482 Cash and Cash Equivalents, \$238,120 is held by the School on behalf of the TNG cluster. See note 18 for details of how the funding received for the cluster has been spent in the year.

Of the \$1,262,848 Cash and Cash Equivalents, \$100,000 is held by the School on behalf of the third party for Stadium Project.



8. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Receivables	6,261	46,456	17,670
Receivables from the Ministry of Education	60,048	-	35,047
Transport Network Receivables	83,665	63,781	63,781
Interest Receivable	8,991	2,172	2,172
Banking Staffing Underuse	-	40,300	40,300
Teacher Salaries Grant Receivable	210,564	204,712	204,712
	<u>369,529</u>	<u>357,421</u>	<u>363,682</u>
Receivables from Exchange Transactions	98,917	112,409	83,623
Receivables from Non-Exchange Transactions	270,612	245,012	280,059
	<u>369,529</u>	<u>357,421</u>	<u>363,682</u>

9. Inventories

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Stationery	9,428	10,962	10,962
School Uniforms	46,684	51,659	51,659
	<u>56,112</u>	<u>62,621</u>	<u>62,621</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	435,602	435,603	435,602
	<u>435,602</u>	<u>435,603</u>	<u>435,602</u>



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Land	39,000	-	-	-	-	39,000
Buildings	347,263	163,014	-	-	(15,144)	495,133
Building Improvements	62,803	-	-	-	(5,251)	57,552
Furniture and Equipment	201,803	129,191	-	-	(35,521)	295,473
Information and Communication Technology	183,973	90,071	-	-	(71,075)	202,969
Motor Vehicles	35,957	-	-	-	(10,035)	25,922
Leased Assets	65,232	-	(393)	-	(20,116)	44,723
Library Resources	32,555	3,475	(3,032)	-	(4,125)	28,873
Music	3,623	1,017	-	-	(967)	3,673
Property & Grounds Equipment	3,634	12,417	-	-	(3,113)	12,938
	-	-	-	-	-	-
Balance at 31 December 2022	975,843	399,185	(3,425)	-	(165,347)	1,206,256

The net carrying value of furniture and equipment held under a finance lease is \$44,723 (2021: \$65,232)

Restrictions

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

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land	39,000	-	39,000	39,000	-	39,000
Buildings	732,179	(237,046)	495,133	569,165	(221,902)	347,263
Building Improvements	99,925	(42,373)	57,552	99,925	(37,122)	62,803
Furniture and Equipment	1,381,360	(1,085,887)	295,473	1,256,612	(1,054,809)	201,803
Information and Communication Technology	1,106,281	(903,312)	202,969	1,016,210	(832,237)	183,973
Motor Vehicles	248,175	(222,253)	25,922	248,175	(212,218)	35,957
Leased Assets	74,684	(29,961)	44,723	79,317	(14,085)	65,232
Library Resources	89,063	(60,190)	28,873	94,377	(61,822)	32,555
Music	5,091	(1,418)	3,673	4,074	(451)	3,623
Property & Grounds Equipment	16,463	(3,525)	12,938	4,047	(413)	3,634
Balance at 31 December	3,792,221	(2,585,965)	1,206,256	3,410,902	(2,435,059)	975,843



12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	186,255	94,697	157,917
Accruals	14,567	13,176	13,176
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	224,162	225,526	225,526
Employee Entitlements - Leave Accrual	40,055	59,338	44,880
	<u>465,039</u>	<u>392,737</u>	<u>441,499</u>
Payables for Exchange Transactions	465,039	392,737	441,499
	<u>465,039</u>	<u>392,737</u>	<u>441,499</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Other revenue in Advance	25,246	18,608	18,608
	<u>25,246</u>	<u>18,608</u>	<u>18,608</u>

14. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	134,293	134,293	107,083
Increase to the Provision During the Year	39,685	-	31,793
Use of the Provision During the Year	-	-	(4,583)
Other Adjustments	13,042	-	-
Provision at the End of the Year	<u>187,020</u>	<u>134,293</u>	<u>134,293</u>
Cyclical Maintenance - Current	180,353	-	-
Cyclical Maintenance - Non current	6,667	134,293	134,293
	<u>187,020</u>	<u>134,293</u>	<u>134,293</u>

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



15. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	22,124	11,104	21,914
Later than One Year and no Later than Five Years	34,367	25,771	54,721
Future Finance Charges	(6,477)	(5,000)	(8,096)
	<u>50,014</u>	<u>31,875</u>	<u>68,539</u>
Represented by			
Finance lease liability - Current	18,380	9,604	18,525
Finance lease liability - Non current	31,634	22,271	50,014
	<u>50,014</u>	<u>31,875</u>	<u>68,539</u>

16. Funds held in Trust

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	-	5,796	5,796
Funds Held in Trust on Behalf of Third Parties - Stadium	100,000	-	-
	<u>100,000</u>	<u>-</u>	<u>-</u>

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



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 project is included under cash and cash equivalents in note 8.

		Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Black Mould Admin Block	219672	(31,136)	6,080	-	25,056	-
Heatpumps	219590	2,748	-	(17,018)	14,270	-
Drainage & Plumbing Staff						
Toilets	218942	2,036	-	-	(2,036)	-
Music Room	228475	-	8,461	(7,803)	-	658
Totals		(26,352)	14,541	(24,821)	37,290	658

Represented by:

Funds Held on Behalf of the Ministry of Education	658
Funds Receivable from the Ministry of Education	-

		Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Black Mould Admin Block	219672	(30,884)	37,565	(37,817)		(31,136)
Heatpumps	219590	2,748				2,748
Drainage & Plumbing Staff						
Toilets	218942	4,427	30,476	(32,867)		2,036
Totals		(23,709)	68,041	(70,684)	-	(26,352)

Represented by:

Funds Held on Behalf of the Ministry of Education	4,784
Funds Receivable from the Ministry of Education	(31,136)



18. Funds Held on Behalf of Te Kuiti Transport Network

Te Kuiti High School is the lead school and holds funds on behalf of the cluster, a group of schools funded by the Ministry.

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held at Beginning of the Year	180,338	180,338	121,908
Funds Received from Interest	2,866	500	140
Funds Received from MoE	415,864	400,000	391,851
Total funds received	418,730	400,500	391,991
Funds Spent on Behalf of the Cluster			
Bus Cost	346,813	330,000	329,360
Management, Accounting & Bank Fees	8,918	5,000	1,592
Administration Fee	5,217	5,000	2,609
Total Funds Spent	360,948	340,000	333,561
Surplus for Year	57,782	60,500	58,430
Funds remaining	238,120	240,838	180,338
Distribution of Funds			
Funds Held at Year End	238,120	240,838	180,338
Current Assets			
Cash at bank	393,010	250,838	338,642
Current Liabilities			
Operating Creditors	145,428	144,000	143,686
GST owing	9,462	10,000	14,618
Equity	238,120	240,838	180,338

The balance of funds held will be distributed based on equity share.



19. 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.

Hillary Karaitiana is Chairperson of the Board and also owns Karaitiana Community Solutions. During the year the Karaitiana Community Solutions provided service to the school for managing the Alternative Education programme. The total value of all transactions paid during the year was \$13,000 GST exclusive (2021: \$11,500). Hillary Karaitiana also co-owns King Country Kitchens. King Country Kitchens provided catering services to the school during the 2022 year, and the total value of all transactions for the year is \$195 and no amount is outstanding as at balance date. Because this amount is less than \$25,000 (Incl. GST) for the year, the transaction does not require Ministry approval under Schedule 23 Clause 10 of the Education and Training Act 2020.

The School house is rented to Gareth Williams (the Principal). The rental was set at \$225 per week. The annual rental is less than \$25,000 and does not require Ministry approval under Schedule 23 Clause 10 of the Education and Training Act 2020.

20. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	4,176	3,295
<i>Leadership Team</i>		
Remuneration	395,391	393,713
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	399,567	397,008

There are eight members of the Board excluding the Principal. The Board had held ten full meetings of the Board in the year. The Board also has Finance (1 member) and Property (1 member) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.



Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	70 - 80
Benefits and Other Emoluments	4 - 5	2 - 3

Principal 2

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	-	80 - 90
Benefits and Other Emoluments	-	2 - 3

Principal 3

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	0	40 - 50
Benefits and Other Emoluments	-	1 - 2

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	9.00	9.00
110 - 120	0.00	2.00
	9.00	11.00

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

21. Compensation and Other Benefits Upon Leaving

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

	2022 Actual \$0	2021 Actual \$0
Total Number of People	nil	nil



22. 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 2022, a contingent liability for the school may exist.

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

23. Commitments

(a) Capital Commitments

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

(a) Contracts as per capital works note be completed in 2023, which will be fully funded by the Ministry of Education.

(Capital commitments at 31 December 2021: Contracts as per capital works note)

(b) Operating Commitments

As at 31 December 2022 the Board has no operating commitments.

24. Financial Instruments

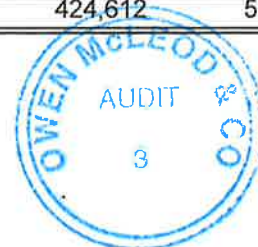
The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	1,262,482	979,733	982,619
Receivables	369,529	357,421	363,682
Investments - Term Deposits	435,602	435,603	435,602
Total Financial assets measured at amortised cost	2,067,613	1,772,757	1,781,903

Financial liabilities measured at amortised cost

Payables	465,039	392,737	441,499
Finance Leases	50,014	31,875	68,539
Total Financial Liabilities Measured at Amortised Cost	515,053	424,612	510,038



25. Events After Balance Date

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

26. Comparatives

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

27. Advances to Employees

The Board of Trustees did not comply with section 154 of the Education and Training Act 2020 as it made advances to employees during the financial year



Te Kuiti High School

Kiwisport Statement

For the year ended 31 December 2022

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2022, the school received total Kiwisport funding of \$6,497 (excluding GST) [2021: \$6,318]. The funding was used to partially fund a Sport & Recreation Coordinator for 10 hours per week.