

# LAKE ROTOMA SCHOOL

Annual Report - For the year ended 31 December 2021

## Index

<b>Page</b>	<b>Statement</b>
-------------	------------------

### **Financial Statements**

1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 19	Notes to the Financial Statements

### **Other Information**

Members of the Board

Kiwisport

Analysis of Variance

# Lake Rotoma 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.

\_\_\_\_\_  
Full Name of Presiding Member

\_\_\_\_\_  
Full Name of Principal

\_\_\_\_\_  
Signature of Presiding Member

\_\_\_\_\_  
Signature of Principal

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Date:

**Lake Rotoma School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	294,515	272,041	335,367
Locally Raised Funds	3	10,600	19,100	13,124
Interest Income		126	1,000	338
		<u>305,241</u>	<u>292,141</u>	<u>348,829</u>
<b>Expenses</b>				
Locally Raised Funds	3	2,743	5,000	3,650
Learning Resources	4	175,645	152,239	179,724
Administration	5	36,088	35,300	25,009
Finance		152	-	100
Property	6	91,000	98,526	85,811
Depreciation	11	10,325	11,158	9,695
		<u>315,953</u>	<u>302,223</u>	<u>303,989</u>
<b>Net Surplus / (Deficit) for the year</b>		(10,712)	(10,082)	44,840
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>(10,712)</u></u>	<u><u>(10,082)</u></u>	<u><u>44,840</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.

**Lake Rotoma School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2021

	2021	2021	2020
Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Equity at 1 January</b>	175,197	144,461	130,357
Total comprehensive revenue and expense for the year	(10,712)	(10,082)	44,840
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	645	-	-
<b>Equity at 31 December</b>	165,130	134,379	175,197
Retained Earnings	165,130	134,379	175,197
<b>Equity at 31 December</b>	165,130	134,379	175,197

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.

## Lake Rotoma School Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	70,017	77,331	250,982
Accounts Receivable	8	17,046	15,500	16,527
GST Receivable		2,813	1,260	6,294
Prepayments		826	599	812
Inventories	9	440	-	237
Investments	10	10,546	10,341	10,508
Funds owed for Capital Works Projects	16	17,685	-	-
		<u>119,373</u>	<u>105,031</u>	<u>285,360</u>
<b>Current Liabilities</b>				
Accounts Payable	12	19,775	22,368	26,869
Revenue Received in Advance	13	460	465	465
Provision for Cyclical Maintenance	14	-	9,879	-
Finance Lease Liability	15	4,263	3,605	4,197
Funds held for Capital Works Projects	16	-	-	146,965
		<u>24,498</u>	<u>36,317</u>	<u>178,496</u>
<b>Working Capital Surplus/(Deficit)</b>		<u>94,875</u>	<u>68,714</u>	<u>106,864</u>
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	86,815	77,449	85,056
		<u>86,815</u>	<u>77,449</u>	<u>85,056</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	7,490	-	4,844
Finance Lease Liability	15	9,335	11,784	11,879
		<u>16,825</u>	<u>11,784</u>	<u>16,723</u>
<b>Net Assets</b>		<u>164,865</u>	<u>134,379</u>	<u>175,197</u>
<b>Equity</b>		<u>165,130</u>	<u>134,379</u>	<u>175,197</u>

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

**Lake Rotoma School**  
**Statement of Cash Flows**  
For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		78,887	63,200	103,073
Locally Raised Funds		10,595	13,500	13,124
Goods and Services Tax (net)		3,481	-	(5,034)
Payments to Employees		(41,309)	(15,000)	(30,368)
Payments to Suppliers		(51,283)	(53,622)	(40,505)
Interest Paid		(152)	-	(100)
Interest Received		125	1,000	380
Net cash from/(to) Operating Activities		<u>344</u>	<u>9,078</u>	<u>40,570</u>
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(12,084)	-	(4,623)
Purchase of Investments		(38)	-	(167)
Net cash from/(to) Investing Activities		<u>(12,122)</u>	<u>-</u>	<u>(4,790)</u>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		645	-	-
Finance Lease Payments		(3,807)	-	(3,614)
Funds Administered on Behalf of Third Parties		(166,025)	-	150,563
Net cash from/(to) Financing Activities		<u>(169,187)</u>	<u>-</u>	<u>146,949</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>(180,965)</u>	<u>9,078</u>	<u>182,729</u>
Cash and cash equivalents at the beginning of the year	7	250,982	68,253	68,253
<b>Cash and cash equivalents at the end of the year</b>	7	<u>70,017</u>	<u>77,331</u>	<u>250,982</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 Statement of Cash Flows should be read in conjunction with the accompanying notes which form part of these financial statements.

# Lake Rotoma School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Lake Rotoma 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 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. 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.

##### *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 Improvements to Crown Owned Assets	10-75 years
Furniture and Equipment	10-15 years
Information and Communication Technology	4-5 years
Motor Vehicles	5 years
Textbooks	10 years
Library Resources	12.5 % DV
Leased assets held under a Finance Lease	Term of Lease

## **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 or licensing of software 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. 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.

## **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 twelve 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.

## **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 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 Comprehensive Revenue and Expenses.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

#### **q) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts are not recorded in the Statement of Comprehensive Revenue and Expenses. The School holds sufficient funds to enable the funds to be used for their intended purpose.

#### **r) 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 an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

#### **s) 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.

#### **t) 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.

#### **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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	85,124	63,200	70,074
Teachers' Salaries Grants	138,122	136,739	144,658
Use of Land and Buildings Grants	59,651	72,102	81,493
Other MoE Grants	11,618	-	39,142
	<u>294,515</u>	<u>272,041</u>	<u>335,367</u>

The school has opted in to the donations scheme for this year. Total amount received was \$1,200.

## 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 & Bequests	335	500	226
Fees for Extra Curricular Activities	4,943	3,600	2,268
Trading	122	(200)	230
Fundraising & Community Grants	-	10,000	5,000
School House	5,200	5,200	5,400
	<u>10,600</u>	<u>19,100</u>	<u>13,124</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	(197)	1,200	309
Trading	868	200	748
School House	2,072	3,600	2,593
	<u>2,743</u>	<u>5,000</u>	<u>3,650</u>
<i>Surplus for the year Locally raised funds</i>	<u>7,857</u>	<u>14,100</u>	<u>9,474</u>

## 4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	9,151	6,500	14,107
Employee Benefits - Salaries	167,239	139,739	163,391
Staff Development	(745)	6,000	2,226
	<u>175,645</u>	<u>152,239</u>	<u>179,724</u>

## 5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	4,440	4,500	4,440
Board Fees	2,825	3,500	1,900
Board Expenses	258	300	257
Communication	2,560	2,500	2,969
Consumables	1,203	4,800	1,581
Operating Lease	172	250	262
Other	2,815	4,550	2,815
Employee Benefits - Salaries	5,997	8,000	6,173
Insurance	412	400	412
Service Providers, Contractors and Consultancy	4,200	6,500	4,200
Healthy School Lunch Programme	11,206	-	-
	36,088	35,300	25,009

## 6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	443	500	1,118
Cyclical Maintenance Provision	2,646	3,524	(12,216)
Grounds	11,957	6,100	5,115
Heat, Light and Water	3,641	5,000	3,286
Rates	623	800	457
Repairs and Maintenance	5,649	6,500	1,065
Use of Land and Buildings	59,651	72,102	81,493
Employee Benefits - Salaries	6,390	4,000	5,493
	91,000	98,526	85,811

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 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	70,017	77,331	250,982
Cash and cash equivalents for Statement of Cash Flows	70,017	77,331	250,982

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

## 8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	5,394	5,394	5,394
Receivables from the Ministry of Education	1,312	-	-
Banking Staffing Underuse	50	-	-
Interest Receivable	11	52	10
Teacher Salaries Grant Receivable	10,279	10,054	11,123
	<u>17,046</u>	<u>15,500</u>	<u>16,527</u>
Receivables from Exchange Transactions	6,717	5,446	5,404
Receivables from Non-Exchange Transactions	10,329	10,054	11,123
	<u>17,046</u>	<u>15,500</u>	<u>16,527</u>

## 9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
School Uniforms	440	-	237
	<u>440</u>	<u>-</u>	<u>237</u>

## 10. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	10,546	10,341	10,508
Total Investments	<u>10,546</u>	<u>10,341</u>	<u>10,508</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Land	8,400	-	-	-	-	<b>8,400</b>
Building Improvements	46,409	-	-	-	(2,160)	<b>44,249</b>
Furniture and Equipment	13,718	8,055	-	-	(2,268)	<b>19,505</b>
Information and Communication Technology	2,404	4,029	-	-	(1,351)	<b>5,082</b>
Textbooks	226	-	-	-	(87)	<b>139</b>
Leased Assets	12,084	-	-	-	(4,232)	<b>7,852</b>
Library Resources	1,815	-	-	-	(227)	<b>1,588</b>
<b>Balance at 31 December 2021</b>	<b>85,056</b>	<b>12,084</b>	<b>-</b>	<b>-</b>	<b>(10,325)</b>	<b>86,815</b>

The net carrying value of equipment held under a finance lease is \$7,852 (2020: \$12,084)

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land	8,400	-	<b>8,400</b>	8,400	-	<b>8,400</b>
Building Improvements	133,643	(89,394)	<b>44,249</b>	133,643	(87,234)	<b>46,409</b>
Furniture and Equipment	116,254	(96,749)	<b>19,505</b>	108,199	(94,481)	<b>13,718</b>
Information and Communication Technology	37,480	(32,398)	<b>5,082</b>	33,451	(31,047)	<b>2,404</b>
Motor Vehicles	7,000	(7,000)	-	7,000	(7,000)	-
Textbooks	44,862	(44,723)	<b>139</b>	44,862	(44,636)	<b>226</b>
Leased Assets	21,293	(13,441)	<b>7,852</b>	21,293	(9,209)	<b>12,084</b>
Library Resources	28,519	(26,931)	<b>1,588</b>	28,519	(26,704)	<b>1,815</b>
<b>Balance at 31 December</b>	<b>397,451</b>	<b>(310,636)</b>	<b>86,815</b>	<b>385,367</b>	<b>(300,311)</b>	<b>85,056</b>

## 12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	887	863	1,916
Accruals	8,190	6,458	8,807
Banking Staffing Overuse	-	4,852	4,852
Employee Entitlements - Salaries	10,279	10,054	11,123
Employee Entitlements - Leave Accrual	419	141	171
	<b>19,775</b>	<b>22,368</b>	<b>26,869</b>
Payables for Exchange Transactions	19,775	22,368	27,134
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<b>19,775</b>	<b>22,368</b>	<b>27,134</b>

The carrying value of payables approximates their fair value.

**13. Revenue Received in Advance**

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Income in Advance	-	5	5
School House Bond	460	460	460
	460	465	465

**14. Provision for Cyclical Maintenance**

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	4,844	6,355	17,060
Increase to the Provision During the Year	2,646	3,524	2,645
Adjustment to the Provision	-	-	(14,861)
Provision at the End of the Year	7,490	9,879	4,844
Cyclical Maintenance - Current	-	9,879	-
Cyclical Maintenance - Term	7,490	-	4,844
	7,490	9,879	4,844

**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:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	4,344	3,605	4,344
Later than One Year and no Later than Five Years	9,349	11,784	11,974
Future finance charges	(95)	-	(242)
	13,598	15,389	16,076

**Represented by**

Finance lease liability - Current	4,263	3,605	4,197
Finance lease liability - Term	9,335	11,784	11,879
	13,598	15,389	16,076



## 16. Funds Held (Owed) for Capital Works Projects

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

<b>2021</b>	<b>Project No.</b>	<b>Opening Balances \$</b>	<b>Receipts from MoE \$</b>	<b>Payments \$</b>	<b>Board Contributions</b>	<b>Closing Balances \$</b>
Refurbishment of Block A	209229	(6,799)	-	-	-	(6,799)
AMS Combined Project	215735	153,764	-	(164,650)	-	(10,886)
<b>Totals</b>		<u>146,965</u>	<u>-</u>	<u>(164,650)</u>	<u>-</u>	<u>(17,685)</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

-

(17,685)

---

(17,685)

<b>2020</b>	<b>Project No.</b>	<b>Opening Balances \$</b>	<b>Receipts from MoE \$</b>	<b>Payments \$</b>	<b>Board Contributions</b>	<b>Closing Balances \$</b>
Refurbishment of Block A	209229	(2,223)	-	(4,576)	-	(6,799)
AMS Combined Project	215735	-	228,150	(74,386)	-	153,764
<b>Totals</b>		<u>(2,223)</u>	<u>228,150</u>	<u>(78,962)</u>	<u>-</u>	<u>146,965</u>

## 17. 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.

## 18. Remuneration

### Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	2,825	1,900
 <i>Leadership Team</i>		
Remuneration	119,956	121,652
Full-time equivalent members	1.00	1.00
 Total key management personnel remuneration	122,781	123,552

There are 0 members of the Board excluding the Principal. The Board had held 9 full meetings of the Board in the year. The Board also has Finance (5 members) and Property (5 members) that met 5 and 5 times 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:

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110 - 120	110 - 120
Benefits and Other Emoluments	2 - 3	2 - 3
Termination Benefits	-	-

### Other Employees

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

	2021	2020
Remuneration \$000	FTE Number	FTE Number
100 - 110	-	-
	0.00	0.00

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

## 19. 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:

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

## 20. 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.

## 21. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has entered into contract agreements for capital works as follows:

\$70,958 contract for the Refurbishment of Block A as agent for the Ministry of Education. This project is fully funded by the Ministry and \$62,979 has been received of which \$69,778 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$257,079 contract for the AMS Combined Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$228,150 has been received of which \$239,036 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2020:

\$70,958 contract for the Refurbishment of Block A as agent for the Ministry of Education. This project is fully funded by the Ministry and \$62,979 has been received of which \$69,778 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$254,029 contract for the AMS Combined Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$228,150 has been received of which \$74,386 has been spent on the project to balance date. This project has been approved by the Ministry.)

### (b) Operating Commitments

There are no operating commitments as at 31 December 2021 (Operating commitments at 31 December 2020: nil).

## 22. 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	70,017	77,331	250,982
Receivables	17,046	15,500	16,527
Investments - Term Deposits	10,546	10,341	10,508
Total Financial assets measured at amortised cost	97,609	103,172	278,017

### Financial liabilities measured at amortised cost

Payables	19,775	22,368	26,869
Finance Leases	13,598	15,389	16,076
Total Financial Liabilities Measured at Amortised Cost	33,373	37,757	42,945

## 23. Events After Balance Date

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

## 24. Comparatives

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

## Lake Rotoma School

### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Jonnette Mead	Presiding Member	Elected	Sep 2022
Jackie Meha	Principal		Feb 2022
Josie King	Parent Representative	Elected	Jun 2021
Marie MacPherson	Parent Representative	Elected	Jun 2019
Norm Mann	Other	Co-opted	Jun 2019
Laurie McManus	Other	Co-opted	Sep 2022
Frances White	Other	Co-opted	Aug 2024

## Lake Rotoma School

### Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2021, the school received total Kiwisport funding of \$112 (excluding GST). The funding was spent on sporting endeavours.