

LYALL BAY SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 2892

Principal: Melanie Dean

School Address: Freyberg Street, Lyall Bay

School Postal Address: Freyberg Street, Lyall Bay, Wellington, 6022

School Phone: 04 939 9112

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Accountant / Service Provider:

Education  *Services.*
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LYALL BAY SCHOOL

Annual Report - For the year ended 31 December 2021

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Lyall Bay 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.

Lloyd Grant Percival

Full Name of Presiding Member



Signature of Presiding Member

19/05/2022

Date:

Melanie Elizabeth Dean

Full Name of Principal



Signature of Principal

19-05-2022

Date:

Lyall Bay School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	3,196,348	3,077,235	3,339,684
Locally Raised Funds	3	56,608	68,700	61,485
Interest Income		2,240	12,072	4,938
International Students	4	-	11,110	-
		<u>3,255,196</u>	<u>3,169,117</u>	<u>3,406,107</u>
Expenses				
Locally Raised Funds	3	20,056	1,000	9,391
International Students	4	-	300	11,113
Learning Resources	5	2,364,899	2,147,099	2,275,812
Administration	6	117,071	117,517	130,609
Finance		3,437	825	3,905
Property	7	748,965	788,449	867,342
Depreciation	12	120,057	111,855	134,089
Loss on Disposal of Property, Plant and Equipment		2,283	-	-
		<u>3,376,768</u>	<u>3,167,045</u>	<u>3,432,261</u>
Net Surplus / (Deficit) for the year		(121,572)	2,072	(26,154)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>(121,572)</u></u>	<u><u>2,072</u></u>	<u><u>(26,154)</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.

Lyall Bay School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		810,016	940,348	940,334
Total comprehensive revenue and expense for the year		(121,572)	2,072	(26,154)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		4,973	-	-
Hall Extension		-	-	(104,164)
Equity at 31 December		693,417	942,420	810,016
Retained Earnings		693,417	942,420	810,016
Equity at 31 December		693,417	942,420	810,016

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.

Lyall Bay School
Statement of Financial Position
As at 31 December 2021

		2021	2021	2020
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	8	139,613	441,175	211,162
Accounts Receivable	9	121,563	157,082	148,256
GST Receivable		14,410	25,861	5,921
Prepayments		18,661	9,249	8,329
Inventories	10	3,455	-	3,325
Investments	11	208,172	100,819	205,845
Funds owed for Capital Works Projects	17	40,686	-	-
		<u>546,560</u>	<u>734,186</u>	<u>582,838</u>
Current Liabilities				
Accounts Payable	13	197,460	158,065	190,912
Revenue Received in Advance	14	802	4,735	-
Provision for Cyclical Maintenance		-	-	-
Finance Lease Liability	16	23,910	30,916	25,815
Funds held for Capital Works Projects	17	-	-	1,250
		<u>222,172</u>	<u>193,716</u>	<u>217,977</u>
Working Capital Surplus/(Deficit)		<u>324,388</u>	<u>540,470</u>	<u>364,861</u>
Non-current Assets				
Property, Plant and Equipment	12	503,122	556,755	574,494
		<u>503,122</u>	<u>556,755</u>	<u>574,494</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	108,500	109,155	99,346
Finance Lease Liability	16	25,593	45,650	29,993
		<u>134,093</u>	<u>154,805</u>	<u>129,339</u>
Net Assets		<u>693,417</u>	<u>942,420</u>	<u>810,016</u>
Equity		<u>693,417</u>	<u>942,420</u>	<u>810,016</u>

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

Lyall Bay School
Statement of Cash Flows
For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities				
Government Grants		792,411	739,089	873,538
Locally Raised Funds		58,542	66,700	59,285
International Students		-	10,810	-
Goods and Services Tax (net)		(8,489)	-	19,940
Payments to Employees		(526,270)	(453,041)	(474,967)
Payments to Suppliers		(293,651)	(180,901)	(293,576)
Interest Paid		(3,437)	(825)	(3,905)
Interest Received		2,559	12,072	4,780
Net cash from/(to) Operating Activities		21,665	193,904	185,095
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(28,622)	(58,275)	(28,101)
Purchase of Investments		(2,328)	-	(105,025)
Net cash from/(to) Investing Activities		(30,950)	(58,275)	(133,126)
Cash flows from Financing Activities				
Furniture and Equipment Grant		4,973	-	-
Owners Contributions		-	-	(104,164)
Finance Lease Payments		(23,576)	(25,529)	(26,948)
Painting contract payments		-	(29,375)	-
Funds Administered on Behalf of Third Parties		(43,661)	-	(70,145)
Net cash from/(to) Financing Activities		(62,264)	(54,904)	(201,257)
Net increase/(decrease) in cash and cash equivalents		(71,549)	80,725	(149,288)
Cash and cash equivalents at the beginning of the year	8	211,162	360,450	360,450
Cash and cash equivalents at the end of the year	8	139,613	441,175	211,162

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.

Lyall Bay School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Lyall Bay 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 15.

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 12.

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	20 years
Furniture and Equipment	10 years
Information and Communication Technology	5 years
Library Resources	8 years
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 Revenue and Expense.

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 Revenue and Expense. 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	665,235	617,568	682,343
Teachers' Salaries Grants	1,853,948	1,727,613	1,823,892
Use of Land and Buildings Grants	538,275	615,533	673,190
Other MoE Grants	138,086	115,521	160,259
Other Government Grants	804	1,000	-
	3,196,348	3,077,235	3,339,684

The school has opted in to the donations scheme for this year. Total amount received was \$56,850.

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Donations & Bequests	10,449	47,000	29,667
Fees for Extra Curricular Activities	34,464	12,000	28,021
Trading	5,675	2,000	2,307
Fundraising & Community Grants	6,020	7,700	1,490
	56,608	68,700	61,485
Expenses			
Extra Curricular Activities Costs	13,794	-	10,401
Trading	5,836	1,000	(1,010)
Fundraising & Community Grant Costs	426	-	-
	20,056	1,000	9,391
<i>Surplus for the year Locally raised funds</i>	36,552	67,700	52,094

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	0	0	0
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
International Student Fees	-	11,110	-
Expenses			
Student Recruitment	-	300	11,113
	-	300	11,113
<i>Surplus/(Deficit) for the year International Students</i>	-	10,810	(11,113)

5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	42,765	50,800	65,826
Library Resources	852	945	1,075
Employee Benefits - Salaries	2,314,029	2,069,654	2,199,798
Staff Development	7,253	25,700	9,113
	2,364,899	2,147,099	2,275,812

6. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	7,108	6,646	6,346
Board Fees	3,845	4,000	3,405
Board Expenses	6,282	3,000	5,838
Communication	4,725	5,300	4,306
Consumables	7,069	9,000	9,253
Operating Lease	-	1,000	85
Other	17,674	10,940	15,861
Employee Benefits - Salaries	52,059	52,000	50,587
Insurance	3,789	11,291	20,408
Service Providers, Contractors and Consultancy	14,520	14,340	14,520
	117,071	117,517	130,609

7. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	10,743	7,500	11,563
Cyclical Maintenance Provision	9,154	15,500	21,846
Grounds	2,691	3,600	2,843
Heat, Light and Water	37,450	23,500	36,114
Rates	2,537	2,426	2,337
Repairs and Maintenance	16,772	17,600	19,253
Use of Land and Buildings	538,275	615,533	673,190
Security	3,448	5,000	4,377
Employee Benefits - Salaries	49,652	54,000	48,803
Contractor & Consultancy	78,243	43,790	47,016
	748,965	788,449	867,342

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.

8. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	139,613	441,175	211,162
Cash and cash equivalents for Statement of Cash Flows	<u>139,613</u>	<u>441,175</u>	<u>211,162</u>

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

Of the \$139,613 Cash and Cash Equivalents \$6,250 is held by the School on behalf of the Ministry of Education. These funds have been provided for 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 2022 on Crown owned school buildings.

9. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	490	5,683	1,657
Receivables from the Ministry of Education	-	3,397	-
Banking Staffing Underuse	-	32,968	-
Interest Receivable	649	810	968
Teacher Salaries Grant Receivable	120,424	114,224	145,631
	<u>121,563</u>	<u>157,082</u>	<u>148,256</u>
Receivables from Exchange Transactions	1,139	6,493	2,625
Receivables from Non-Exchange Transactions	120,424	150,589	145,631
	<u>121,563</u>	<u>157,082</u>	<u>148,256</u>

10. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	2,011	-	2,029
Sports Uniforms	1,444	-	1,296
	<u>3,455</u>	<u>-</u>	<u>3,325</u>

11. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	208,172	100,819	205,845
Total Investments	<u>208,172</u>	<u>100,819</u>	<u>205,845</u>

12. Property, Plant and Equipment

2021	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	372,748	-	-	-	(31,059)	341,690
Furniture and Equipment	74,753	13,003	-	-	(30,197)	57,560
Information and Communication Technolog	69,177	13,167	(2,283)	-	(30,621)	49,440
Leased Assets	53,234	22,804	(458)	-	(27,306)	48,272
Library Resources	4,582	2,452	-	-	(874)	6,160
Balance at 31 December 2021	574,494	51,426	(2,741)	-	(120,057)	503,122

The net carrying value of equipment held under a finance lease is \$48,272 (2020: \$53,234)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Building Improvements	819,008	(477,318)	341,690	819,008	(446,260)	372,748
Furniture and Equipment	582,698	(525,138)	57,560	608,293	(533,540)	74,753
Information and Communication Technolog	391,438	(341,998)	49,440	385,553	(316,376)	69,177
Leased Assets	104,622	(56,350)	48,272	92,812	(39,578)	53,234
Library Resources	77,688	(71,528)	6,160	75,235	(70,653)	4,582
Balance at 31 December	1,975,454	(1,472,332)	503,122	1,980,901	(1,406,407)	574,494

13. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	17,963	16,266	17,192
Accruals	5,608	4,661	4,846
Banking Staffing Overuse	27,153	-	-
Employee Entitlements - Salaries	120,424	114,224	145,631
Employee Entitlements - Leave Accrual	26,312	22,914	23,243
	197,460	158,065	190,912
Payables for Exchange Transactions	197,460	158,065	190,912
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	197,460	158,065	190,912

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Income In Advance	802	4,735	-
	802	4,735	-
	802	4,735	-

15. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	99,346	93,655	77,500
Increase to the Provision During the Year	15,500	15,500	21,846
Adjustment to the Provision	(6,346)	-	-
Provision at the End of the Year	108,500	109,155	99,346
	108,500	109,155	99,346
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	108,500	109,155	99,346
	108,500	109,155	99,346
	108,500	109,155	99,346

16. Finance Lease Liability

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	26,204	30,916	28,079
Later than One Year and no Later than Five Years	27,603	45,650	31,317
Future finance charges	(4,304)	-	(3,588)
	49,503	76,566	55,808
	49,503	76,566	55,808
Represented by			
Finance lease liability - Current	23,910	30,916	25,815
Finance lease liability - Term	25,593	45,650	29,993
	49,503	76,566	55,808
	49,503	76,566	55,808

17. 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.

2021	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
	Block E -Internal Redevelopment	13,250	-	(7,000)	-	6,250
	Block E Weathertightness Project	(12,000)	27,235	(62,171)	-	(46,936)
	Totals	<u>1,250</u>	<u>27,235</u>	<u>(69,171)</u>	<u>-</u>	<u>(40,686)</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	6,250
Funds Due from the Ministry of Education	(46,936)
	<u>(40,686)</u>

2020	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
	Hall Extension	(26,782)	67,595	(40,813)	-	-
	Gas Heaters	1,248	-	(1,248)	-	-
	New Fences & Gates	(3,050)	-	3,050	-	-
	Block E -Internal Redevelopment	20,000	-	(6,750)	-	13,250
	Additional Gates & Fences	80,087	8,531	(88,618)	-	-
	Visual Property Modif/Exp	-	19,171	(19,171)	-	-
	Block E Weathertightness Project	-	-	(12,000)	-	(12,000)
	Totals	<u>71,503</u>	<u>95,297</u>	<u>(165,550)</u>	<u>-</u>	<u>1,250</u>

18. Related Party Transactions

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

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

19. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	3,845	3,405
<i>Leadership Team</i>		
Remuneration	640,350	603,987
Full-time equivalent members	6.00	6.04
Total key management personnel remuneration	644,195	607,392

There are 7 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance (1 members) and Property (0 members) that met 0 and 0 times respectively. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 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	140 - 150	140 - 150
Benefits and Other Emoluments	4 - 5	4 - 5
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	-	1.00
110 - 120	2.00	1.00
	2.00	2.00

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

20. 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	-	-

21. 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.

22. Commitments

(a) Capital Commitments

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

\$200,000 contract for the Block E -Internal Redevelopment as agent for the Ministry of Education. This project is fully funded by the Ministry and \$20,000 has been received of which \$13,750 has been spent on the project to balance date. This project has been approved by the Ministry; and

(Capital commitments as at 31 December 2020:

The School has entered into a painting contract with programmed Property Services for a period of 8 years. The annual payments will be \$29,125 and the total contract value is \$233,000 + GST.

(b) Operating Commitments

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

23. 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	139,613	441,175	211,162
Receivables	121,563	157,082	148,256
Investments - Term Deposits	208,172	100,819	205,845

Total Financial assets measured at amortised cost

	469,348	699,076	565,263
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Financial liabilities measured at amortised cost

Payables	197,460	158,065	190,912
Finance Leases	49,503	76,566	55,808

Total Financial Liabilities Measured at Amortised Cost

	246,963	234,631	246,720
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24. Events After Balance Date

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

25. Comparatives

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

Lyall Bay School

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Lloyd Percival	Presiding Member	Elected	Sep 2022
Melanie Dean	Principal		
Vito Lo Iacono	Parent Representative	Elected	Sep 2022
Richard Galloway	Parent Representative	Co-opted	Jun 2020
Will Minty	Parent Representative	Elected	Oct 2020
Karl Emson	Parent Representative	Elected	Sep 2022
Amy Christie	Parent Representative	Elected	Jun 2021
Julia Blackburn	Parent Representative	Elected	Sep 2022
Matt Hunt	Parent Representative	Elected	Sep 2022
Caitlin Sowden	Parent Representative	Elected	Sep 2022
Amanda Willis	Staff Representative	Elected	Sep 2022

Lyll Bay School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2021, the school received total Kiwisport funding of \$5,417 (excluding GST). The funding was spent on sporting endeavours.