

ROSENEATH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 2982

Principal: Adelle Broadmore

School Address: Maida Vale Road, Roseneath

School Postal Address: Maida Vale Road, Roseneath, Wellington, 6011

School Phone: 04 384 7218

School Email: office@roseneath.school.nz

Accountant / Service Provider:

Education  Services.
Dedicated to your school

ROSENEATH SCHOOL

Annual Report - For the year ended 31 December 2021

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Roseneath 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.

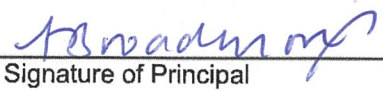
David Ian Cooling

Full Name of Presiding Member

Adelle Louise Broadmore

Full Name of Principal


Signature of Presiding Member


Signature of Principal

24.5.2022

Date:

24.5.2022

Date:

Roseneath 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	1,256,960	1,242,088	1,373,844
Locally Raised Funds	3	113,743	73,100	100,249
Interest Income		1,561	1,500	2,611
		<u>1,372,264</u>	<u>1,316,688</u>	<u>1,476,704</u>
Expenses				
Locally Raised Funds	3	17,837	24,800	14,182
Learning Resources	4	884,505	760,104	857,564
Administration	5	72,371	77,924	73,062
Finance		874	401	810
Property	6	349,780	434,867	470,519
Depreciation	11	33,386	28,604	29,829
Loss on Disposal of Property, Plant and Equipment		938	-	181
		<u>1,359,691</u>	<u>1,326,700</u>	<u>1,446,147</u>
Net Surplus / (Deficit) for the year		12,573	(10,012)	30,557
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>12,573</u></u>	<u><u>(10,012)</u></u>	<u><u>30,557</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.

Roseneath 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		553,415	516,433	522,858
Total comprehensive revenue and expense for the year		12,573	(10,012)	30,557
Capital Contributions from the Ministry of Education				
Equity at 31 December		565,988	506,421	553,415
Retained Earnings		565,988	506,421	553,415
Equity at 31 December		565,988	506,421	553,415

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.

Roseneath School
Statement of Financial Position
As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	7	211,425	36,067	77,950
Accounts Receivable	8	68,681	51,299	58,773
GST Receivable		-	5,403	3,950
Prepayments		1,194	1,182	1,882
Inventories	9	1,406	558	300
Investments	10	134,130	129,820	132,936
Funds owed for Capital Works Projects	16	-	-	13,063
		416,836	224,329	288,854
Current Liabilities				
GST Payable		7,026	-	-
Accounts Payable	12	87,677	58,056	78,876
Revenue Received in Advance	13	4,800	6	-
Provision for Cyclical Maintenance	14	-	39,375	-
Finance Lease Liability	15	7,367	4,811	4,463
Funds held for Capital Works Projects	16	92,550	-	-
		199,420	102,248	83,339
Working Capital Surplus/(Deficit)		217,416	122,081	205,515
Non-current Assets				
Property, Plant and Equipment	11	378,624	414,933	360,430
		378,624	414,933	360,430
Non-current Liabilities				
Provision for Cyclical Maintenance	14	19,624	24,100	10,500
Finance Lease Liability	15	10,428	6,493	2,030
		30,052	30,593	12,530
Net Assets		565,988	506,421	553,415
Equity		565,988	506,421	553,415

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

Roseneath 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		240,223	236,978	247,884
Locally Raised Funds		115,253	62,300	99,508
Goods and Services Tax (net)		10,976	-	1,453
Payments to Employees		(137,725)	(119,900)	(119,637)
Payments to Suppliers		(174,092)	(169,362)	(200,792)
Interest Paid		(874)	(401)	(810)
Interest Received		1,250	1,500	3,433
Net cash from/(to) Operating Activities		55,011	11,115	31,039
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(16,553)	(46,234)	(16,431)
Purchase of Investments		(1,194)	-	(3,116)
Net cash from/(to) Investing Activities		(17,747)	(46,234)	(19,547)
Cash flows from Financing Activities				
Finance Lease Payments		(4,676)	(4,463)	(2,631)
Funds Administered on Behalf of Third Parties		100,887	-	(6,560)
Net cash from/(to) Financing Activities		96,211	(4,463)	(9,191)
Net increase/(decrease) in cash and cash equivalents		133,475	(39,582)	2,301
Cash and cash equivalents at the beginning of the year	7	77,950	75,649	75,649
Cash and cash equivalents at the end of the year	7	211,425	36,067	77,950

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.

Roseneath School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Roseneath 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 are depreciated over their estimated useful lives on a straight line 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	5 - 40 years
Buildings	20 - 40 years
Furniture and Equipment	5 - 10 years
Information and Communication Technology	4 - 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	211,816	213,378	214,018
Teachers' Salaries Grants	720,975	631,917	714,127
Use of Land and Buildings Grants	286,517	373,193	410,069
Other MoE Grants	37,652	23,600	35,630
	<u>1,256,960</u>	<u>1,242,088</u>	<u>1,373,844</u>

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	86,915	42,600	74,429
Fees for Extra Curricular Activities	15,413	14,700	13,213
Trading	4,335	2,300	4,958
Fundraising & Community Grants	118	-	1,000
Other Revenue	2,312	6,000	3,750
Friends Of Roseneath	4,650	7,500	2,899
	<u>113,743</u>	<u>73,100</u>	<u>100,249</u>
Expenses			
Extra Curricular Activities Costs	11,270	14,000	8,654
Trading	4,592	2,300	5,391
Other Locally Raised Funds Expenditure	1,478	6,000	8
Friends Of Roseneath	497	2,500	129
	<u>17,837</u>	<u>24,800</u>	<u>14,182</u>
<i>Surplus for the year Locally raised funds</i>	<u>95,906</u>	<u>48,300</u>	<u>86,067</u>

4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	47,994	26,930	47,339
Library Resources	102	-	161
Employee Benefits - Salaries	830,760	724,812	806,749
Staff Development	5,649	8,362	3,315
	<u>884,505</u>	<u>760,104</u>	<u>857,564</u>

5. Administration

	2021	2021 Budget	2020
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	5,834	5,509	5,209
Board Fees	3,830	5,100	3,940
Board Expenses	7,151	5,000	5,316
Communication	489	500	550
Consumables	7,005	7,700	8,239
Legal Fees	-	1,500	-
Other	6,107	8,650	8,465
Employee Benefits - Salaries	27,614	27,005	27,654
Insurance	1,096	1,200	1,453
Service Providers, Contractors and Consultancy	8,060	8,760	8,240
It	5,185	7,000	3,996
	72,371	77,924	73,062

6. Property

	2021	2021 Budget	2020
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	8,243	6,800	9,275
Cyclical Maintenance Provision	9,124	9,124	9,642
Grounds	1,153	2,850	1,304
Heat, Light and Water	6,923	7,800	7,219
Rates	1,116	1,200	1,047
Repairs and Maintenance	13,610	13,300	8,769
Use of Land and Buildings	286,517	373,193	410,069
Security	2,409	1,600	1,167
Contractor & Consultancy	20,685	19,000	22,027
	349,780	434,867	470,519

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

7. Cash and Cash Equivalents

	2021	2021 Budget	2020
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Accounts	211,425	36,067	77,950
Cash and cash equivalents for Statement of Cash Flows	211,425	36,067	77,950

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

Of the \$211,425 Cash and Cash Equivalents \$93,504 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.

8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	5,714	1,689	2,424
Receivables from the Ministry of Education	-	2,376	-
Interest Receivable	311	822	-
Teacher Salaries Grant Receivable	62,656	46,412	56,349
	<u>68,681</u>	<u>51,299</u>	<u>58,773</u>
Receivables from Exchange Transactions	6,025	2,511	2,424
Receivables from Non-Exchange Transactions	62,656	48,788	56,349
	<u>68,681</u>	<u>51,299</u>	<u>58,773</u>

9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	453	558	300
Uniform	953	-	-
	<u>1,406</u>	<u>558</u>	<u>300</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	134,130	129,820	132,936
Total Investments	<u>134,130</u>	<u>129,820</u>	<u>132,936</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2021						
Land	48,107	-	-	-	-	48,107
Buildings	213,807	-	-	-	(9,327)	204,480
Building Improvements	29,983	-	-	-	(1,376)	28,607
Furniture and Equipment	46,381	14,718	-	-	(7,973)	53,126
Information and Communication Technolog	11,308	18,680	-	-	(7,216)	22,772
Leased Assets	5,794	18,404	-	-	(6,774)	17,423
Library Resources	5,050	716	(938)	-	(720)	4,109
Balance at 31 December 2021	360,430	52,518	(938)	-	(33,386)	378,624

The net carrying value of equipment held under a finance lease is \$17,423 (2020: \$5,794)

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land	48,107	-	48,107	48,107	-	48,107
Buildings	353,744	(149,264)	204,480	353,744	(139,937)	213,807
Building Improvements	112,178	(83,571)	28,607	112,178	(82,195)	29,983
Furniture and Equipment	211,858	(158,732)	53,126	198,341	(151,960)	46,381
Information and Communication Technolog	173,283	(150,511)	22,772	165,944	(154,636)	11,308
Leased Assets	28,418	(10,995)	17,423	14,749	(8,955)	5,794
Library Resources	7,973	(3,864)	4,109	13,617	(8,567)	5,050
Balance at 31 December	935,561	(556,937)	378,624	906,680	(546,250)	360,430

12. Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	19,600	7,166	17,260
Accruals	4,334	3,557	3,709
Employee Entitlements - Salaries	62,656	46,412	56,349
Employee Entitlements - Leave Accrual	1,087	921	1,558
	87,677	58,056	78,876
Payables for Exchange Transactions	87,677	58,056	78,876
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	87,677	58,056	78,876

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Income in Advance	4,800	6	-
	<u>4,800</u>	<u>6</u>	<u>-</u>

14. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	10,500	54,351	46,376
Increase to the Provision During the Year	9,124	9,124	9,124
Adjustment to the Provision	-	-	518
Use of the Provision During the Year	-	-	(45,518)
Provision at the End of the Year	<u>19,624</u>	<u>63,475</u>	<u>10,500</u>
Cyclical Maintenance - Current	-	39,375	-
Cyclical Maintenance - Term	19,624	24,100	10,500
	<u>19,624</u>	<u>63,475</u>	<u>10,500</u>

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	8,227	4,811	4,864
Later than One Year and no Later than Five Years	11,325	6,493	2,107
Future finance charges	(1,757)	-	(478)
	<u>17,795</u>	<u>11,304</u>	<u>6,493</u>
Represented by			
Finance lease liability - Current	7,367	4,811	4,463
Finance lease liability - Term	10,428	6,493	2,030
	<u>17,795</u>	<u>11,304</u>	<u>6,493</u>

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.

2021	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
	SIP- PE Shed	(13,063)	66,005	(23,016)	-	29,926
	Upper Bridge Roof	-	18,000	(1,500)	-	16,500
	ILE Upgrade Top Deck Classroom	-	-	(954)	-	(954)
	218408 H: Replace Heaters with Heatpump	-	8,450	-	-	8,450
	218412 A: Replacement of Heatpumps	-	23,100	-	-	23,100
	218413 Fencing & Handrails	-	15,528	-	-	15,528
	Totals	(13,063)	131,083	(25,470)	-	92,550

Represented by:

Funds Held on Behalf of the Ministry of Education	93,504
Funds Due from the Ministry of Education	(954)
	<u>92,550</u>

2020	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
	Drainage Improvements	(680)	680	-	-	-
	Special Needs Fencing	-	65,274	(65,274)	-	-
	SIP- PE Shed	-	-	(13,063)	-	(13,063)
	Totals	(680)	65,954	(78,337)	-	(13,063)

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	3,830	3,940
<i>Leadership Team</i> Remuneration	243,624	210,124
Full-time equivalent members	2.00	2.04
Total key management personnel remuneration	247,454	214,064

There are 8 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. The Board also has Finance (3 members) and Property (2 members) that met 7 and 4 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	130 - 140	110-120
Benefits and Other Emoluments	3 - 4	3-4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100 - 110	1.00	-
120 - 130	-	1.00
	1.00	1.00

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:

\$78,309 contract for the SIP- PE Shed as agent for the Ministry of Education. This project is fully funded by the Ministry and \$66,005 has been received of which \$36,079 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$180,000 contract for the Upper Bridge Roof as agent for the Ministry of Education. This project is fully funded by the Ministry and \$18,000 has been received of which \$1,500 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$10,000 contract for the 218408 H: Replace Heaters with Heatpumps as agent for the Ministry of Education. This project is fully funded by the Ministry and \$8,450 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$35,347 contract for the 218412 A: Replacement of Heatpumps as agent for the Ministry of Education. This project is fully funded by the Ministry and \$23,100 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$52,569 contract for the 218413 Fencing & Handrails as agent for the Ministry of Education. This project is fully funded by the Ministry and \$15,528 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2020:

\$78,309 contract for the SIP- PE Shed as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$13,063 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	211,425	36,067	77,950
Receivables	68,681	51,299	58,773
Investments - Term Deposits	134,130	129,820	132,936
Total Financial assets measured at amortised cost	414,236	217,186	269,659

Financial liabilities measured at amortised cost

Payables	87,677	58,056	78,876
Finance Leases	17,795	11,304	6,493
Total Financial Liabilities Measured at Amortised Cost	105,472	69,360	85,369

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.

Roseneath School

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
David Cooling	Presiding Member	Elected	Sep 2022
Adelle Broadmore	Principal		
Pat Gilligan	Parent Representative	Elected	Dec 2021
Kate Harrison	Parent Representative	Elected	Sep 2022
Elizabeth Dixon	Parent Representative	Elected	Sep 2022
Andrew Thomson	Parent Representative	Elected	Sep 2022
Airih Mahuika	Parent Representative	Co-opted	Sep 2022
Matt Langworthy	Parent Representative	Co-opted	Sep 2022
Anne Crewdson	Staff Representative	Elected	Sep 2022

Roseneath School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2021, the school received total Kiwisport funding of \$1,684 (excluding GST). The funding was spent on sporting endeavours.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ROSENEATH'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Roseneath (the School). The Auditor-General has appointed me, Geoff Potter, using the staff and resources of BDO Wellington Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the Statement of Financial Position as at 31 December 2021, the Statement of Comprehensive Revenue and Expense, Statement of Changes in net Assets/Equity and Statement of Cash Flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2021; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 24th May 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 1 and 21 to 22, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.

A handwritten signature in blue ink, appearing to read 'Geoff Potter', with a long horizontal flourish extending to the right.

Geoff Potter
BDO WELLINGTON AUDIT LIMITED
On behalf of the Auditor-General
Wellington, New Zealand