



TINWALD SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 3561

Principal: Peter Livingstone

School Address: 131 Thomson Street, Tinwald, Ashburton 7700

School Email: office@tinwald.school.nz

School Phone: (03) 308 4555

Accountant / Service Provider:

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Christchurch
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TINWALD SCHOOL

Annual Report - For the year ended 31 December 2021

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Tinwald School

Members of the Board of Trustees

For the year ended 31 December 2021

Name	Position	How Position Gained	Term Expired/ Expires
Jenny Muir	Chair Person	Re-Elected May 2019	Sep 2022
Marcus Schoonderbeek	Parent Rep	Re-Elected May 2019	Sep 2022
Nicky Horrell	Parent Rep	Re-Elected May 2019	Sep 2022
Sarah Ward	Parent Rep	Elected May 2019	Sep 2022
Sarah Gare	Parent Rep	Selected Sep 2021	Sep 2022
Sue Wakefield	Staff Rep	Re-Elected May 2019	Dec 2021
Peter Livingstone	Principal		

Tinwald 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.

Jenny Muir
Full Name of Presiding Member

[Signature]
Signature of Presiding Member

14/11/22
Date:

Peter Livingstone
Full Name of Principal

[Signature]
Signature of Principal

14/11/22
Date:

Tinwald 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	2,150,344	2,041,386	2,031,630
Locally Raised Funds	3	52,110	27,900	43,522
Interest income		914	1,000	1,122
		<u>2,203,368</u>	<u>2,070,286</u>	<u>2,076,274</u>
Expenses				
Locally Raised Funds	3	25,046	22,600	21,108
Learning Resources	4	1,535,487	1,504,251	1,325,098
Administration	5	98,044	100,638	92,565
Finance		781	-	992
Property	6	351,965	343,683	396,675
Depreciation	9	59,804	55,235	62,280
Loss on Disposal of Property, Plant and Equipment		-	-	2,164
Transport		67,610	76,704	76,752
		<u>2,138,737</u>	<u>2,103,111</u>	<u>1,977,634</u>
Net Surplus / (Deficit) for the year		64,631	(32,825)	98,640
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>64,631</u>	<u>(32,825)</u>	<u>98,640</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.

Tinwald School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

Notes	Actual 2021 \$	Budget (Unaudited) 2021 \$	Actual 2020 \$
Balance at 1 January	753,362	753,362	654,722
Total comprehensive revenue and expense for the year	64,631	(32,825)	98,640
Equity at 31 December	817,993	720,537	753,362
Retained Earnings	817,993	720,537	753,362
Equity at 31 December	817,993	720,537	753,362

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.

Tinwald 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	394,880	323,948	225,307
Accounts Receivable	8	100,625	99,605	95,812
GST Receivable		4,032	4,031	2,550
Prepayments		1,152	1,152	750
		<u>500,689</u>	<u>428,736</u>	<u>324,419</u>
Current Liabilities				
Accounts Payable	10	136,651	112,805	120,817
Provision for Cyclical Maintenance	11	55,000	55,000	45,817
Finance Lease Liability - Current Portion	12	12,049	12,049	13,413
Funds held for Capital Works Projects	13	82,679	80,000	-
		<u>286,379</u>	<u>259,854</u>	<u>180,047</u>
Working Capital Surplus/(Deficit)		214,310	168,882	144,372
Non-current Assets				
Property, Plant and Equipment	9	634,035	582,007	637,242
		<u>634,035</u>	<u>582,007</u>	<u>637,242</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	11	19,521	19,521	5,372
Finance Lease Liability	12	10,831	10,831	22,880
		<u>30,352</u>	<u>30,352</u>	<u>28,252</u>
Net Assets		<u>817,993</u>	<u>720,537</u>	<u>753,362</u>
Equity		<u>817,993</u>	<u>720,537</u>	<u>753,362</u>

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

Tinwald School

Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		606,295	586,443	569,060
Locally Raised Funds		51,735	27,900	44,804
Goods and Services Tax (net)		(1,482)	(1,481)	4,376
Payments to Employees		(257,633)	(172,042)	(223,158)
Payments to Suppliers		(242,143)	(296,593)	(230,066)
Cyclical Maintenance Payments in the year		-	23,332	-
Interest Paid		(781)	-	(992)
Interest Received		914	1,000	1,122
Net cash from/(to) Operating Activities		156,905	168,559	165,146
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	(2,164)
Purchase of Property Plant & Equipment (and Intangibles)		(65,413)	(27,035)	(44,315)
Net cash from/(to) Investing Activities		(65,413)	(27,035)	(46,479)
Cash flows from Financing Activities				
Finance Lease Payments		(4,598)	(19,949)	(14,877)
Funds Held for Capital Works Projects		82,679	80,000	8,152
Net cash from/(to) Financing Activities		78,081	60,051	(6,725)
Net increase/(decrease) in cash and cash equivalents		169,573	201,575	111,942
Cash and cash equivalents at the beginning of the year	7	225,307	122,373	113,365
Cash and cash equivalents at the end of the year	7	394,880	323,948	225,307

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.

Tinwald School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Tinwald 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 of Trustees (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 11.

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 9.

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.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. 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.

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) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of 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 expense that is offset by a non-cash grant from the Ministry.

e) 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.

f) 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.

g) 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.

h) 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.

i) 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
Leased assets held under a Finance Lease	As per Term of Lease
Library resources	12.5% Diminishing value

j) 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.

k) 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.

l) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

m) 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 for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

n) 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.

o) 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.

p) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board.

q) 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	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	385,711	348,603	385,954
Teachers' Salaries Grants	1,314,564	1,315,000	1,149,366
Use of Land and Buildings Grants	238,583	238,583	315,526
Other MoE Grants	79,479	34,200	76,791
Transport grants	81,236	82,000	79,892
Other Government Grants	50,771	23,000	24,101
	<u>2,150,344</u>	<u>2,041,386</u>	<u>2,031,630</u>

The school has opted in to the donations scheme for this year. Total amount received was \$34,200.

3. Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations and Bequests	30,922	-	29,237
Fees for Extra Curricular Activities	12,732	20,600	6,719
Trading	744	-	843
Other Revenue	7,712	7,300	6,723
	<u>52,110</u>	<u>27,900</u>	<u>43,522</u>
Expenses			
Activities	24,162	22,600	20,209
Trading	884	-	899
	<u>25,046</u>	<u>22,600</u>	<u>21,108</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>27,064</u>	<u>5,300</u>	<u>22,414</u>

4. Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	23,605	46,120	19,451
Equipment Repairs	1,741	3,500	3,066
Information and Communication Technology	4,515	15,042	1,683
Library Resources	1,729	3,900	3,947
Employee Benefits - Salaries	1,497,827	1,425,439	1,289,128
Staff Development	6,070	10,250	7,823
	<u>1,535,487</u>	<u>1,504,251</u>	<u>1,325,098</u>

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	4,696	3,500	4,178
Board of Trustees Fees	2,965	4,050	2,450
Board of Trustees Expenses	2,119	3,033	2,991
Communication	5,405	4,750	5,183
Consumables	6,644	6,550	6,015
Operating Lease	3,533	10,000	2,451
Other	13,604	14,035	14,375
Employee Benefits - Salaries	43,032	39,001	38,800
Insurance	9,006	9,219	8,812
Service Providers, Contractors and Consultancy	7,040	6,500	7,310
	98,044	100,638	92,565

6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	6,317	5,250	6,697
Cyclical Maintenance Provision	23,332	-	(17,968)
Grounds	4,156	9,500	12,646
Heat, Light and Water	9,540	17,250	13,333
Rates	4,382	4,250	4,403
Repairs and Maintenance	12,646	18,150	12,238
Use of Land and Buildings	238,583	238,583	315,526
Security	2,002	1,200	2,036
Employee Benefits - Salaries	51,007	49,500	47,764
	351,965	343,683	396,675

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 \$
Cash on Hand	6	6	6
Bank Current Account	21,800	323,942	7,221
Bank Call Account	373,074	-	218,080
Cash and cash equivalents for Statement of Cash Flows	394,880	323,948	225,307

8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	1,020	-	645
Banking Staffing Underuse	-	-	9,098
Teacher Salaries Grant Receivable	99,605	99,605	86,069
	<u>100,625</u>	<u>99,605</u>	<u>95,812</u>
Receivables from Exchange Transactions	1,020	-	645
Receivables from Non-Exchange Transactions	99,605	99,605	95,167
	<u>100,625</u>	<u>99,605</u>	<u>95,812</u>

9. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements - Crown	491,507	-	-		(18,112)	473,395
Furniture and Equipment	61,339	15,030	-		(11,458)	64,911
Information and Communication Technology	30,994	39,467	-		(13,960)	56,501
Leased Assets	36,492	-	-		(13,898)	22,594
Library Resources	16,910	2,100	-		(2,376)	16,634
Balance at 31 December 2021	<u>637,242</u>	<u>56,597</u>	<u>-</u>	<u>-</u>	<u>(59,804)</u>	<u>634,035</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2021			
Building Improvements - Crown	659,689	(186,294)	473,395
Furniture and Equipment	191,758	(126,847)	64,911
Information and Communication Technology	154,244	(97,743)	56,501
Leased Assets	56,061	(33,466)	22,594
Library Resources	52,071	(35,437)	16,634
Balance at 31 December 2021	<u>1,113,823</u>	<u>(479,787)</u>	<u>634,035</u>

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2020						
Building Improvements - Crown	509,620	-	(1)		(18,112)	491,507
Furniture and Equipment	58,432	14,672	(480)		(11,285)	61,339
Information and Communication Technology	15,739	31,123	(297)		(15,571)	30,994
Leased Assets	44,852	6,536	-		(14,896)	36,492
Library Resources	20,804	686	(2,164)		(2,416)	16,910
Balance at 31 December 2020	<u>649,447</u>	<u>53,017</u>	<u>(2,942)</u>	<u>-</u>	<u>(62,280)</u>	<u>637,242</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2020			
Building Improvements - Crown	659,689	(168,182)	491,507
Furniture and Equipment	176,729	(115,390)	61,339
Information and Communication Technology	114,777	(83,783)	30,994
Leased Assets	64,876	(28,384)	36,492
Library Resources	51,924	(35,014)	16,910
Balance at 31 December 2020	1,067,995	(430,753)	637,242

10. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operating Creditors	-	-	18,226
Accruals	7,202	7,200	6,347
Banking Staffing Overuse	23,469	-	-
Employee Entitlements - Salaries	99,605	99,605	86,069
Employee Entitlements - Leave Accrual	6,375	6,000	10,175
	136,651	112,805	120,817
Payables for Exchange Transactions	136,651	112,805	120,817
	136,651	112,805	120,817

The carrying value of payables approximates their fair value.

11. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	51,189	51,189	69,157
Increase/ (decrease) to the Provision During the Year	23,332	23,332	(17,968)
Provision at the End of the Year	74,521	74,521	51,189
Cyclical Maintenance - Current	55,000	55,000	45,817
Cyclical Maintenance - Term	19,521	19,521	5,372
	74,521	74,521	51,189

12. 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	12,049	12,049	13,080
Later than One Year and no Later than Five Years	10,831	10,831	22,481
Future Finance Charge			
	<u>22,880</u>	<u>22,880</u>	<u>35,561</u>

13. Funds Held for Capital Works Projects

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

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Classroom Upgrade	<i>completed</i>	-	76,650	(4,600)	-	72,050
Phone Upgrade	<i>in progress</i>	-	10,629	-	-	10,629
Totals		<u>-</u>	<u>87,279</u>	<u>(4,600)</u>	<u>-</u>	<u>82,679</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	82,679
Funds Due from the Ministry of Education	-
	<u>82,679</u>

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Adventure Playground Upgrade	<i>completed</i>	(8,152)	-	-	8,152	-
Totals		<u>(8,152)</u>	<u>-</u>	<u>-</u>	<u>8,152</u>	<u>-</u>

14. 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.

No related party transactions were recorded for 2021 (2020: \$479) and no amount is outstanding as at balance date (Prior Period: nil).

15. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	2,965	2,450
<i>Leadership Team</i>		
Remuneration	244,324	342,270
Full-time equivalent members	2	3
Total key management personnel remuneration	247,289	344,720
Total full-time equivalent personnel	2	3

There are six 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 and Property that meet monthly and quarterly 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	0-5	0-5
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	2	1
	2	1

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

16. 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 school boards of trustees, 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. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. 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.

17. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into no contract agreements for capital works .

(a) contract for Classroom Upgrade as agent for the Ministry of Education. \$76,650 has been received of which \$4,600 has been spent on the project to date; and

(b) contract to upgrade the phone system as agent for the Ministry of Education. \$10,629 has been received which remains the balance at the end of the year.

(Capital commitments at 31 December 2020: \$nil)

18. 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	394,880	323,948	225,307
Receivables	100,625	99,605	95,812
Total Financial assets measured at amortised cost	495,505	423,553	321,119

Financial liabilities measured at amortised cost

Payables	136,651	112,805	120,817
Finance Leases	22,880	22,880	36,293
Total Financial Liabilities Measured at Amortised Cost	159,531	135,685	157,110

19. Events After Balance Date

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

20. Comparatives

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

21. COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.

KIWISPORT 2021

Kiwisport is a government funding initiative to support students' participation in organised sport.

In 2021 the school received Kiwisport funding of \$3094 (GST excl)

The funding was spent on employment of a sport co-ordinator who delivered 100 hours approximately of after school sporting organisation. The number of students in organised sport was about 50.

During 2021 because of Covid 19 some activities and sport were unable to be held or were held in a limited format, with less opportunities for participation.

2021 Analysis of Variance

School Name:	Tinwald School	School Number: 3561
Strategic Aim:	A curriculum that promotes inclusive learning	
Annual Aim:	To increase the percentage of children who are achieving within or above their expected curriculum levels in maths and writing	
Target:	Year 3-5 children	
Baseline Data:	<p>The 11 Year 4 students (2020) and 11 Year 3 students (2020) who are not achieving within or above their curriculum level will form our target group for 2021, including our priority learners.</p> <p>The 14 Year 4 students (2020) and 13 Year 3 students (2020) who are not achieving within or above their curriculum level will form our target group for 2021, including our priority learners.</p>	

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>Consistent assessment practices across the school and improved curriculum knowledge through moderation</p>	<p>LPF and PACT use and understanding increased through consistent school-wide PD during staff meetings</p>	<p>Considering the pressure of lockdowns this was a success</p>	<p>Assessment continues to be modified as LPF understanding grows</p>
<p>Develop a common understanding of acceleration across the school</p>	<p>No completed (do I need to put covid?)</p>	<p>Did not even get off the ground</p>	
<p>Effective use of shadow coaching CRRP across the school</p>	<p>All teachers completed observations with another teacher</p>	<p>Partially successful considering Principal was unavailable for 8 weeks in term 1</p>	<p>Bring the CRRP Observation Tool into Professional Growth Cycle</p>
<p>Review the current system and processes we have to monitor, evaluate and review student progress and achievement</p>	<p>Mid year reporting to parents was modified PACT use was increased</p>	<p>Partially successful with higher parent engagement in reading student reports</p>	<p>Introduce LPF for Reading</p>
Planning for next year:			

INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Tinwald School (the School). The Auditor-General has appointed me, Michael Rondel, using the staff and resources of BDO Christchurch, 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 3 to 18, 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 Public Sector Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 14 November 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 Statement of Responsibility, Members of the Board, the Analysis of Variance, and the Kiwisport Statement, 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.



Michael Rondel
BDO Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand