



# RANGITOTO COLLEGE

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### School Directory

<b>Ministry Number:</b>	28
<b>Principal:</b>	Patrick Gale BA (Hons), MEdL
<b>School Address:</b>	564 East Coast Road, Mairangi Bay, Auckland 0630.
<b>School Postal Address:</b>	Private Bag 93-601, Browns Bay, Auckland 0753.
<b>School Phone:</b>	09 477 0150
<b>School Email:</b>	<a href="mailto:info@rangitoto.school.nz">info@rangitoto.school.nz</a>

<b>Name</b>	<b>Position</b>	<b>Occupation</b>	<b>Term Expires</b>
Ms M Winterstein	Presiding Member	Barrister, Liberty Law	2025
Mr J Buckley	Vice Chair	GMIM, Flight Centre Travel Group	2025
Mr C Dalton	Parent Representative	Managing Director, Astley Construction	2025
Ms Y Thynne	Parent Representative	Communications Manager Fonterra	2025
Mr F Jia	Parent Representative	Manager of Int Services, Mairangi Bay School	2025
Mr C Offwood	Parent Representative	Financial Advisor, Rutherford Rede Ltd	2025
Mr A Kerr	Staff Representative	Teacher, Rangitoto College	2025
Mr W Schmidt	Student Representative	Student, Rangitoto College	2025

The above were all Elected by vote

Mr P Gale	Principal	Principal, Rangitoto College
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# RANGITOTO COLLEGE

Annual Report - For the year ended 31 December 2022

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# Rangitoto College

## Statement of Responsibility

For the year ended 31 December 2022

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

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

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

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

Maggie Winterstein

Full Name of Presiding Member



Signature of Presiding Member

Patrick Gale

Full Name of Principal



Signature of Principal

Date: 23/05/2023

Date: 23/05/2023

# Rangitoto College

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>				
Government Grants	2	34,268,398	32,986,149	32,099,229
Locally Raised Funds	3	4,454,679	3,279,368	4,807,944
Interest income		194,973	120,000	93,424
		<u>38,918,050</u>	<u>36,385,517</u>	<u>37,000,597</u>
<b>Expenses</b>				
Locally Raised Funds	3	849,305	795,855	929,829
Learning Resources	4	23,830,583	22,273,273	22,761,959
Administration	5	1,815,597	1,568,217	1,574,785
Finance		30,265	27,704	32,008
Property	6	12,139,179	12,201,323	11,222,370
		<u>38,664,929</u>	<u>36,866,372</u>	<u>36,520,951</u>
<b>Net Surplus/ (Deficit) for the year</b>		253,121	(480,855)	479,646
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>253,121</u>	<u>(480,855)</u>	<u>479,646</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.



# Rangitoto College

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	Actual 2022 \$	Budget (Unaudited) 2022 \$	Actual 2021 \$
<b>Balance at 1 January</b>		<u>11,627,843</u>	<u>11,587,844</u>	<u>11,148,197</u>
Total comprehensive revenue and expense for the year		253,121	(480,855)	479,646
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		130,273	-	-
<b>Equity at 31 December</b>		<u>12,011,237</u>	<u>11,106,989</u>	<u>11,627,843</u>
Accumulated comprehensive revenue and expense		11,569,261	10,746,989	11,225,867
Sports Surfaces Replacement Reserve	15	441,976	360,000	401,976
<b>Equity at 31 December</b>		<u>12,011,237</u>	<u>11,106,989</u>	<u>11,627,843</u>

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.



# Rangitoto College

## Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	430,602	245,391	371,847
Accounts Receivable	8	1,681,640	1,275,413	1,480,221
GST Receivable		-	-	1,836
Inventories	9	334,543	150,133	150,133
Prepayments		132,337	91,190	91,189
Investments	10	9,424,444	7,818,349	7,818,349
Funds Receivable for Capital Works Projects	18	19,063	-	166,079
		<u>12,022,629</u>	<u>9,580,476</u>	<u>10,079,654</u>
<b>Current Liabilities</b>				
Accounts Payable	12	2,569,129	2,193,981	2,289,656
Revenue Received in Advance	13	2,337,971	1,322,493	1,503,382
GST Payable		61,290	-	-
Provision for Cyclical Maintenance	14	28,800	84,000	84,000
Finance Lease Liability - Current Portion	16	126,188	39,892	119,662
Funds held in Trust	17	1,369,813	1,243,894	921,633
Funds held for Capital Works Projects	18	93,269	-	350,771
		<u>6,586,460</u>	<u>4,884,260</u>	<u>5,269,105</u>
<b>Working Capital Surplus</b>		5,436,169	4,696,216	4,810,550
<b>Non-current Assets</b>				
Investments	10	950,000	950,000	950,000
Property, Plant and Equipment	11	6,116,310	5,882,570	6,387,845
		<u>7,066,310</u>	<u>6,832,570</u>	<u>7,337,845</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	359,250	296,106	294,467
Finance Lease Liability - Non Current Portion	16	131,992	125,691	226,085
		<u>491,242</u>	<u>421,797</u>	<u>520,552</u>
<b>Net Assets</b>		<u>12,011,237</u>	<u>11,106,989</u>	<u>11,627,843</u>
<b>Equity</b>		<u>12,011,237</u>	<u>11,106,989</u>	<u>11,627,843</u>

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



# Rangitoto College

## Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		6,830,139	5,986,147	5,879,894
Locally Raised Funds		2,683,359	1,629,630	2,546,142
International Students		2,551,974	1,014,083	1,448,672
Goods and Services Tax (net)		63,126	-	12,951
Payments to Employees		(4,227,257)	(3,890,748)	(3,793,511)
Payments to Suppliers		(6,124,677)	(3,149,743)	(5,903,233)
Interest Received		137,084	120,000	111,967
Net cash from Operating Activities		1,913,748	1,709,369	302,882
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(599,034)	(581,289)	(421,900)
Sale/(Purchase) of Investments		(1,606,096)	(1,314,213)	(195,491)
Net cash (to) Investing Activities		(2,205,130)	(1,895,502)	(617,391)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	-
Finance Lease Payments		(87,567)	(131,726)	50,021
Finance Costs		(30,265)	(27,704)	(32,007)
Funds Administered on Behalf of Third Parties		448,181	33,695	(490,154)
Capital Contributions from the Ministry of Education		130,273	-	-
Funds Held for Capital Works Projects		(110,485)	(178,361)	(456,657)
		350,137	(304,096)	(928,797)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>58,755</b>	<b>(490,229)</b>	<b>(1,243,306)</b>
Cash and cash equivalents at the beginning of the year	7	371,848	735,620	1,615,154
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>430,603</b>	<b>245,391</b>	<b>371,848</b>

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.



# Rangitoto College

## Reconciliation of net cash from Operating Activities to Comprehensive revenue and expense

For the year ended 31 December 2022

	2022 Actual \$	2021 Actual \$
<b>Surplus for the year</b>	253,121	479,646
<b>Add (deduct) non-cash items</b>		
Depreciation Expense	870,568	910,443
Non-cash Movement in Cyclical Maintenance Provision	64,783	(8,741)
<b>Total non-cash items</b>	935,351	901,702
<b>Add (deduct) investing or financing items</b>		
Fundraising relating to investing	30,265	32,007
<b>Add deduct movements in statement of financial position items</b>		
(Increase)/Decrease in receivables including prepayments	(242,567)	(75,849)
(Increase)/Decrease in Net GST	63,126	12,951
Non-cash Movement in Cyclical Maintenance Provision	(55,200)	(5,800)
Increase in Inventories	(184,410)	(150,133)
Increase/(Decrease) in payables	279,474	(51,261)
Increase/(Decrease) in Revenue in advance and Funds on behalf	834,589	(840,381)
<b>Total movement in working capital items</b>	695,012	(1,110,473)
<b>Net cash flow from operating activities</b>	1,913,749	302,882

The above Reconciliation of net cash from Operating Activities to Comprehensive revenue and expense should be read in conjunction with the accompanying notes which form part of these financial statements.





# Rangitoto College

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Rangitoto College (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, domiciled in New Zealand. The relevant legislation governing its operations is the Education and Training Act 2020 and the Crown Entities Act 2004. The school's primary objective is the education of its students. The school does not operate to make a financial return. The school board is of the view that the school is a public benefit entity for financial reporting purposes.

##### Reporting Period

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

##### b) 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 1 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 1 as the school is not publicly accountable and is considered large as it falls within the expenditure threshold of exceeding \$30 million per year.

##### Measurement Base

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

##### Finance Lease Liability - Non Current Portion

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. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 16.

#### **Recognition of grants**

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

### **c) Revenue Recognition**

#### **Government Grants**

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

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

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

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

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. 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 recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

#### **Interest Revenue**

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

### **d) Operating Lease Payments**

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

### **e) Finance Lease Payments**

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

### **f) Cash and Cash Equivalents**

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



### **g) Accounts Receivable**

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

### **i) Investments**

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

### **j) Property, Plant and Equipment**

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Gains and losses on disposals (i.e. sold or given away) are determined by comparing the proceeds received with the carrying amounts (i.e. the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

### **Finance Leases**

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### **Depreciation**

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements and Board Owned Buildings	40 years
Furniture and equipment	10 years
Information and communication technology	4 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

### **k) Impairment of property, plant, and equipment and intangible assets**

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.



#### **Non cash generating assets**

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

#### **l) 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.

#### **m) 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 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. Remeasurements are recognised in surplus or deficit in the period in which they arise.

#### **n) Revenue Received in Advance**

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

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

#### **o) Funds Held in Transit**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

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

#### **p) Funds Held in Capital Works**

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Revenue and Expense.

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

#### **q) Provision for Cyclical Maintenance**

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.



Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The school carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

**r) Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

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

**s) 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.

**t) Budget Figures**

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

**u) Services received in-kind**

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



## 2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	6,639,064	5,828,427	5,711,332
Teachers' Salaries Grants	17,668,078	17,000,000	17,144,789
Use of Land and Buildings Grants	9,770,181	10,000,000	9,074,545
Resource Teachers Learning and Behaviour Grants	109,092	76,000	87,677
Other Government Grants	81,983	81,722	80,886
	<b>34,268,398</b>	<b>32,986,149</b>	<b>32,099,229</b>

The school has not opted in to the donations scheme for this year.

## 3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Donations & Bequests	729,986	650,000	692,978
Curriculum related Activities	910,131	35,620	797,965
Trading	100,942	121,000	66,876
Sponsorship, Other Revenue, Grants	194,656	184,000	158,930
Fees for Extra Curricular Activities	801,578	796,798	802,144
International Student Fees	1,717,386	1,491,950	2,289,051
	<b>4,454,679</b>	<b>3,279,368</b>	<b>4,807,944</b>
<b>Expenses</b>			
Trading	17,752	84,025	60,356
International Student - Recruitment	61,687	-	-
International Student - Employee Benefit - Salaries	405,024	338,330	383,140
International Student - Other Expenses	364,842	373,500	486,333
	<b>849,305</b>	<b>795,855</b>	<b>929,829</b>
<i>Surplus for the year Locally raised funds</i>	<b>3,605,374</b>	<b>2,483,513</b>	<b>3,878,115</b>

During the year ended 31 December 2022 there were overseas trips for international marketing- cost \$61,687. 4 staff to Europe, South East Asia and Korea for marketing purposes and Australia for ANZA Workshop. (2021:\$nil)

During the year the School hosted 100 International students (2021:139)

## 4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	1,189,137	1,050,505	1,014,623
Extra-curricular activities	1,621,293	844,656	1,354,794
Information and Communication Technology	221,891	227,920	143,557
Library Resources	18,004	20,000	21,546
Employee Benefits - Salaries	19,809,992	19,124,492	19,272,938
Staff Development	99,698	105,700	44,058
Depreciation	870,568	900,000	910,443
	<b>23,830,583</b>	<b>22,273,273</b>	<b>22,761,959</b>



## 5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Audit Fee	15,878	15,726	14,971
Board of Trustees Fees	3,000	3,000	31,297
Board of Trustees Expenses	67,445	57,800	83,379
Communication	32,233	34,000	26,756
Consumables	150,262	155,800	146,847
Legal Fees	1,154	-	1,030
Other	126,887	143,500	153,098
Employee Benefits - Salaries	1,325,323	1,067,701	1,028,673
Insurance	93,415	90,690	88,734
	<u>1,815,597</u>	<u>1,568,217</u>	<u>1,574,785</u>

## 6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Caretaking and Cleaning Consumables	792,040	772,500	740,211
Consultancy and Contract Services	63,604	21,600	23,423
Cyclical Maintenance Provision	54,435	90,000	58,933
Grounds	147,444	157,000	159,286
Heat, Light and Water	279,288	277,000	195,994
Water Rates	90,256	95,000	76,249
Repairs and Maintenance	492,029	334,000	474,742
Use of Land and Buildings	9,770,181	10,000,000	9,074,545
Security	101,234	94,000	76,069
Employee Benefits - Salaries	348,668	360,223	342,918
	<u>12,139,179</u>	<u>12,201,323</u>	<u>11,222,370</u>

The use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

## 7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Cash on Hand	3,082	3,878	3,878
Bank Current Account	427,520	241,513	367,969
Bank Call Account	-	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>430,602</u>	<u>245,391</u>	<u>371,847</u>

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

The carrying value of short-term deposits with maturity dates of 90 days or less approximates their fair value. Included in the above balances, together with funds held in investments is monies that are reserved for the replacement of sports surfaces at the end of their expected life in 2025/6. \$93,269 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2023 for Capital Works. (2021: \$184,692)



## 8. Accounts Receivable

	2022	2022 Budget (Unaudited)	2021
	Actual		Actual
	\$	\$	\$
Receivables	103,666	1,275,413	49,731
Interest Receivable	95,926	-	38,037
Teacher Salaries Grant Receivable	1,482,048	-	1,392,453
	<u>1,681,640</u>	<u>1,275,413</u>	<u>1,480,221</u>
Receivables from Exchange Transactions	199,592	1,275,413	87,768
Receivables from Non-Exchange Transactions	1,482,048	-	1,392,453
	<u>1,681,640</u>	<u>1,275,413</u>	<u>1,480,221</u>

## 9. Inventories

	2022	2022 Budget (Unaudited)	2021
	Actual		Actual
	\$	\$	\$
School Uniforms	334,543	150,133	150,133
	<u>334,543</u>	<u>150,133</u>	<u>150,133</u>

## 10. Investments

The School's investment activities are classified as follows:

	2022	2022 Budget (Unaudited)	2021
	Actual		Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	9,424,444	7,818,349	7,818,349
Non-current Asset			
Long-term Bank Deposits	950,000	950,000	950,000
Total Investments	<u>10,374,444</u>	<u>8,768,349</u>	<u>8,768,349</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Buildings	4,449,228	195,932	-	-	172,839	4,472,320
Furniture and Equipment	938,721	176,908	-	-	263,701	851,928
Information and Communication Technology	426,697	138,999	-	-	219,110	346,587
Motor Vehicles	87,897	15,950	-	-	40,521	63,326
Textbooks	38,832	17,219	-	-	25,772	30,279
Leased Assets	339,913	39,899	-	-	127,978	251,834
Library Resources	106,557	15,535	(1,409)	-	20,647	100,036
						-
<b>Balance at 31 December 2022</b>	<u>6,387,845</u>	<u>600,442</u>	<u>(1,409)</u>	<u>-</u>	<u>870,568</u>	<u>6,116,310</u>

The net carrying value of equipment held under a finance lease is \$251,834 (2021: \$339,913)

### Restrictions

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





	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	7,989,054	(3,516,734)	4,472,320	7,793,122	(3,343,895)	4,449,228
Furniture and Equipment	6,307,967	(5,456,039)	851,928	6,131,058	(5,192,338)	938,721
Information and Communication Techn	2,790,854	(2,444,267)	346,587	2,811,301	(2,384,604)	426,697
Motor Vehicles	343,518	(280,192)	63,326	327,568	(239,671)	87,897
Textbooks	66,008	(35,729)	30,279	85,091	(46,259)	38,832
Leased Assets	467,830	(215,995)	251,834	455,185	(115,272)	339,913
Library Resources	187,434	(87,398)	100,036	180,497	(73,940)	106,557
<b>Balance at 31 December</b>	<b>18,152,664</b>	<b>(12,036,354)</b>	<b>6,116,310</b>	<b>17,783,823</b>	<b>(11,395,978)</b>	<b>6,387,845</b>

## 12. Accounts Payable

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	461,368	2,193,981	160,079
Accruals	393,845	-	498,929
Employee Entitlements - Salaries	1,482,048	-	1,392,453
Employee Entitlements - Leave Accrual	231,868	-	238,195
	<b>2,569,129</b>	<b>2,193,981</b>	<b>2,289,656</b>
Payables for Exchange Transactions	2,569,129	2,193,981	2,289,656
	<b>2,569,129</b>	<b>2,193,981</b>	<b>2,289,656</b>

The carrying value of payables approximates their fair value.

## 13. Revenue Received in Advance

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International Student Fees	2,337,971	1,322,493	1,503,382
	<b>2,337,971</b>	<b>1,322,493</b>	<b>1,503,382</b>

## 14. Provision for Cyclical Maintenance

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
Provision at the Start of the Year	378,467	378,467	393,008
Increase to the Provision During the Year	54,435	90,000	58,933
Use of the Provision During the Year	(44,852)	(88,361)	(73,474)
Provision at the End of the Year	<b>388,050</b>	<b>380,106</b>	<b>378,467</b>
Cyclical Maintenance - Current	28,800	84,000	84,000
Cyclical Maintenance - Non Current	359,250	296,106	294,467
	<b>388,050</b>	<b>380,106</b>	<b>378,467</b>

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



### 15. Sports Surfaces Replacement Reserve

The Board is providing for the replacement of the hard sports surfaces at the end of their expected lives in 2025 and 2026 respectively. \$40,000 of the profits each year is allocated to the Sports Surfaces Replacement Reserve.

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Reserve at start of the Year	401,976	320,000	361,976
Increase in reserve during the year	40,000	40,000	40,000
Reserve at end of the Year	<u>441,976</u>	<u>360,000</u>	<u>401,976</u>

### 16. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	145,957	39,892	147,217
Later than One Year and no Later than Five Years	142,470	125,691	252,496
Total minimum lease payments	<u>288,426</u>	<u>165,583</u>	<u>399,714</u>
Future finance charges	(30,246)	-	(53,967)
	<u>258,180</u>	<u>165,583</u>	<u>345,747</u>

#### Represented by:

Finance lease liability - Current	126,188	39,892	119,662
Finance lease liability - Non Current	131,992	125,691	226,085
Present value of minimum lease payments	<u>258,180</u>	<u>165,583</u>	<u>345,747</u>

The fair value of finance leases is \$251,834 (2021 \$399,714). Fair value has been determined using contractual cash flows discounted using a rate based on market borrowing rates at balance date, 6.5% (2021:6.5%).

### 17. Funds held in Trust

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	1,369,813	1,243,894	921,633
	<u>1,369,813</u>	<u>1,243,894</u>	<u>921,633</u>

These funds are held in trust for International and domestic students homestay fees, various clubs, events and groups going on overseas trips. Funds held for homestay fees and various clubs, relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense. Funds held for events and groups going on overseas trips are recognised in the profit & loss once the event or trip has occurred.

### 18. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects: The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

	2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contribution \$	Closing Balances \$
A Block wings 2 to 5	<i>in progress</i>	284,086	1,835,577	2,138,725	-	(19,063)
Technology Block	<i>in progress</i>	46,469	-	-	-	46,469
Driveway Repair	<i>in progress</i>	-	46,800	0	-	46,800
L12 Conversion to Food Room	<i>completed</i>	(6,196)	7,512	1,316	-	(0)
Toilet Refurbishment	<i>completed</i>	20,216	-	20,216	-	(0)
A Block External	<i>completed</i>	(159,883)	211,565	51,682	-	0
Totals		<u>184,692</u>	<u>2,101,454</u>	<u>2,211,939</u>	<u>-</u>	<u>74,207</u>

**Represented by:**

Funds Held on Behalf of the Ministry of Education  
 Funds Due from the Ministry of Education

93,269  
 (19,063)

	2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
A Block wings 2 to 5	<i>in progress</i>	-	441,878	157,793	-	284,086
Technology Block	<i>in progress</i>	-	71,147	24,678	-	46,469
Dark Room Construction	<i>completed</i>	(6,100)	6,100	0	-	-
Dark Room Demolition	<i>completed</i>	(4,441)	4,441	0	-	0
LED Lights	<i>completed</i>	12,865	3,959	16,824	-	0
L12 Conversion to Food Room	<i>in progress</i>	-	97,061	103,258	-	(6,196)
Wing 1 & 3 Roofing	<i>completed</i>	(10,622)	10,622	-	-	0
C Block Internal Refurbishment	<i>completed</i>	109,624	26,001	135,626	-	0
Toilet Refurbishment	<i>in progress</i>	323,940	179,267	482,991	-	20,216
A Block External	<i>in progress</i>	126,083	675,000	1,005,919	44,953	(159,883)
Gym 1 & 3 Floors	<i>completed</i>	89,999	2,493	92,492	-	-
<b>Totals</b>		<b>641,349</b>	<b>1,517,970</b>	<b>2,019,580</b>	<b>44,953</b>	<b>184,692</b>

**Represented by:**

Funds Held on Behalf of the Ministry of Education  
 Funds Due from the Ministry of Education

350,771  
 (166,079)

**19. Related Party Transactions**

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

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

There were no related party transactions in 2022. (2021: \$nil).

**20. Remuneration***Key management personnel compensation*

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

	2022 Actual	2021 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	5,075	5,105
<i>Leadership Team</i>		
Remuneration	1,510,671	1,457,365
Full-time equivalent members	10.00	10.00
<b>Total key management personnel remuneration</b>	<b>1,515,746</b>	<b>1,462,470</b>

There are 8 members of the Board excluding the Principal. The Board had held 9 full meetings of the Board in the year. The Board also has Finance (6 members) and Property (5 members) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.



## Principal

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	270-280	260-270
Benefits and Other Emoluments	5-10	5-10
Termination Benefits	-	-

## Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
150-160	-	-
140-150	3.00	3.00
130-140	4.00	4.00
120-130	2.00	1.00
110-120	9.00	9.00
100-110	43.00	38.00
	<u>61.00</u>	<u>55.00</u>

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

## 21. Compensation and Other Benefits Upon Leaving

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

	2022 Actual \$0	2021 Actual \$4,500
Total Number of People	-	1

## 22. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: \$nil).

### Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of boards, through payroll service provider Education Payroll Limited.

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2022, a contingent liability for the school may exist.

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2022. The Ministry is in the process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The School has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023.

## 23. Commitments

### Capital Commitments

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

A Block Wings 3&5; Contract Value \$2,325,755 (including variations) fully funded by the Ministry of Education. Money received to date \$2,277,455. Money Spent to date \$2,296,518 Monies yet to be received \$19,063.

Driveway repair; Contract Value \$56,749 fully funded by the Ministry of Education. Monies received to date \$46,800 Commitment left at year end \$56,749.

Front Carpark: Contract Value \$47,600 Commitment left at year end \$103,793

(Capital commitments at 31 December 2021: \$1,473,048 Caretakers Garage, A Block Wing 3&5, A Block Wing 1).

## 24. Financial Instruments

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

### Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	430,602	245,391	371,847
Receivables	1,681,640	1,275,413	1,480,221
Investments - Term Deposits	10,374,444	8,768,349	8,768,349
Total Financial assets measured at amortised cost	<u>12,486,686</u>	<u>10,289,153</u>	<u>10,620,417</u>

### Financial liabilities measured at amortised cost

Payables	2,569,129	2,193,981	2,289,656
Finance Leases	258,180	165,583	345,747
Total Financial Liabilities Measured at Amortised Cost	<u>2,827,309</u>	<u>2,359,564</u>	<u>2,635,403</u>

### Financial instrument risks

The school activities expose it to a variety of financial instrument risks, including market risk, credit risk, and liquidity risk. The School has policies to manage these risks and seeks to minimise exposure from financial instruments. These policies do not allow transactions that are speculative in nature to be entered into.

#### Market risk

##### *Fair value interest rate risk*

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The School's exposure to fair value interest rate risk is limited to its bank deposits that are held at fixed rates of interest. The School does not actively manage its exposure to fair value interest rate risk.

##### *Cash flow interest rate risk*

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Investments issued at variable interest rates expose School to cash flow interest rate risk.

The School's investment policy requires a spread of investment maturity dates to limit exposure to short-term interest rate movements. The School currently has no variable interest rate investments.

##### *Sensitivity analysis*

At 31 December 2022, if the 90-day bank bill rate had been 50 basis points higher or lower, with all other variables held constant, the surplus/deficit for the year would have been \$5,000 (2021: \$4,000) lower/higher. This movement is attributable to increased or decreased interest expense on floating rate loans.

#### Currency Risk

The School has no exposure to currency risk at reporting date.

#### Credit risk

Credit risk is the risk that a third party will default on its obligation to the School, causing it to incur a loss.

The School is exposed to credit risk from cash and term deposits with banks. The maximum credit exposure is best represented by the carrying amount in the statement of financial position.

#### Risk management

Due to the timing of its cash inflows and outflows, the School invests surplus cash with a registered bank with a Standard and Poor's credit rating of at least AA- for investments. The School invests funds only with registered banks that have a Standard and Poor's credit rating of at least AA- for short-term investments and A for long-term investments. The School's investments in term deposits are considered to be low-risk investments. The credit ratings of bank is monitored for credit deterioration.

#### Security

No collateral or other credit enhancements are held for financial assets that give rise to credit risk.

Impairment Cash and cash equivalents (Note 7), receivables (Note 8), and term deposit investments (Note 10) are subject to the expected credit loss model. The notes for these items provide relevant information on impairment.

##### *Credit risk exposure by credit risk rating grades, excluding receivables*

The gross carrying amount of financial assets, excluding receivables, by credit rating is provided below by reference to Standard and Poor's credit ratings.

	Actual 2022 \$000	Actual 2021 \$000
<b>Cash at bank and term deposits</b>		
Bank of New Zealand Limited	1	3
ASB Limited	426	365
Short term deposits with maturities more than 3 months but less than 12 months	9,424	7,818
Short term deposits with maturities more than 12 months	950	950
Total cash at bank and term deposits	<u>10,802</u>	<u>9,136</u>

All instruments in this table have a loss allowance based on 12-month expected credit losses.

The school considers there has not been a significant increase in credit risk for investments in term deposits because the issuer of the investment continues to have low credit risk at balance date. Term deposits are held with banks approved by Treasury that have a long-term AA- investment grade credit rating, which indicates the bank has a very strong capacity to meet its financial commitments. No loss allowance for expected credit losses has been recognised because the estimated 12-month expected loss allowance for credit losses is trivial. The carrying amounts of term deposits with maturities of 12 months or less approximate their fair value. The fair value of term deposits with remaining maturities in excess of 12 months is \$0.95m (2021: \$0.95m). The fair values are based on discounted cash flows using market quoted interest rates for term deposits with terms to maturity similar to the relevant investments.

### Liquidity risk

#### Management of liquidity risk

Liquidity risk is the risk that the School will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and the ability to close out market positions.

The School manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

### Contractual maturity analysis of financial liabilities, excluding derivatives

The table below analyses financial liabilities into their relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate of the instrument at balance date. The amounts disclosed are the undiscounted contractual cash flows.

	Carrying amount \$000s	Contractual cash flows \$000s	Less than 6 months \$000s	6-12 months \$000s	More than 1 year \$000s
<b>2022</b>					
Payables (excluding income in advance, taxes payable and grants received subject to conditions)	855	855	855	-	-
Finance Leases	258	288	77	69	142
<b>Total</b>	<u>1,113</u>	<u>1,144</u>	<u>932</u>	<u>69</u>	<u>142</u>
<b>2021</b>					
Payables (excluding income in advance, taxes payable and grants received subject to conditions)	659	659	659	-	-
Finance Leases	346	400	74	73	252
<b>Total</b>	<u>1,005</u>	<u>1,059</u>	<u>733</u>	<u>73</u>	<u>252</u>

### 25. Events After Balance Date

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

### 26. Comparatives

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



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF RANGITOTO COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Rangitoto College (the School). The Auditor-General has appointed me, Brendan Lyon, using the staff and resources of Crowe New Zealand Audit Partnership, 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 1 to 20, that comprise the statement of financial position as at 31 December 2022, 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 2022; 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.

Our audit was completed on 23 May 2023. 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.

*The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.*

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## **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 arises from the Public Audit Act 2001.

### **Other information**

The Board is responsible for the other information. The other information comprises the Analysis of Variance, Kiwi Sport note and Statement of Compliance with Good Employer Policy, 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.

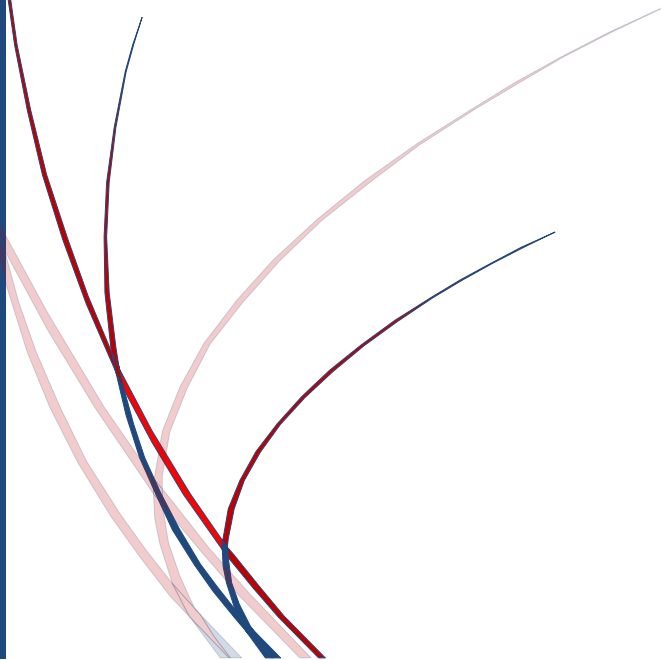
Other than the audit, we have no relationship with or interests in the School.



Brendan Lyon  
Crowe New Zealand Audit Partnership  
On behalf of the Auditor-General  
Auckland, New Zealand



# Rangitoto College Analysis of variance reporting 2022



School name: Rangitoto College

School number: 028

**Focus: 'Great Opportunities – Great Students'**

*Rangitoto College will empower each student, through unrivalled opportunities, exceptional support and challenging academic experiences, to make a positive difference in the world.*

**Strategic Aim 1) *Developing great student outcomes through the provision of high quality teaching and learning programmes***

**Annual Aim 1)** Raise student achievement through the provision of a knowledge rich approach to curriculum planning in conjunction with the development of Rangitoto teaching principles.

**Target:**

- 1) 14 credits for each student in each class to enable an increase in overall pass rates
- 2) 40% Excellence endorsed at L1, 35% Excellence endorsed at L2 & L3

**Baseline data:** (adjusted to represent new statistical format)

1) 2020 NCEA Pass rates L1 96.3%, L2 94%, L3 89%. 2021 NCEA Pass rates L1 95.1%, L2 90.9%, L3 92.1%.

2) 2020 83.7% achieved UE (excludes IB students). 2021 88.8% achieved UE (excludes IB students)

3) 2020 Excellence endorsement rates L1 41.8% L2 39.2% L3 34.2%. 2021 Excellence endorsement rates L1 52.9% L2 48.6% L3 46.8%

4) 2020 Merit endorsement rates L1 37.5% L2 31.8% L3 40.0%. 2021 Merit endorsement rates L1 33.4% L2 30.1% L3 33.2%

4) 2020 215 scholarship awards. 2021 232 scholarship awards

IB Baseline: 2020: 2 students over 40. 88% pass rate. 2021: 5 students over 40, 1 45. 100% pass rate, 37 Average

RANGITOTO COLLEGE ANALYSIS OF VARIANCE REPORTING 2022

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Matauranga Maori is an essential element of the school's strategic plan as a kura we aim to have authentic weaving of Matauranga Māori (Māori knowledge) into the Rangitoto curriculum.</p> <p>In 2022 we undertook to build a relationship with one of our mana whenua Te Kawerau ā Maki.</p> <p>We had our first Pīpīwharau festival that provided an authentic opportunity for the integration of Mātauranga Māori across the curriculum. Specifically through Art, Te Reo Māori, Art, Social Sciences, Commerce, and Food Technology.</p> <p>We surveyed all our curriculum leaders across the school to gauge their understanding of Matauranga Maori and the support required across the kura.</p>	<p>Matauranga Maori is included in the professional development cycle of the college and is woven together with the other strategic priorities.</p> <p>We have signed a 3-year engagement plan with Te Kawerau ā Maki. Our first full-staff professional development for 2023 will start with Te Kawerau ā Maki sharing the importance of mana whenua.</p> <p>We created connections across the Kahui Ako and authentically weaved matauranga Maori into an aspect of our curriculum.</p> <p>Bespoke professional development is provided to different departments.</p>	<p>A new strategic plan was developed.</p> <p>This was seen as fundamental to the new strategic plan direction.</p> <p>Responding to the need across the community.</p> <p>Differing levels of resources and opportunities available to departments.</p>	<p>Review of the strategic plan. Annual plans are developed to support the strategic plan.</p> <p>Te Kawerau ā Maki are gathering staff voice and will be responding to this throughout the year. We will end the year with a wananga.</p> <p>Pīpīwharau festival will now happen annually.</p> <p>Year professional development calendar and program established.</p> <p>Staff supported to enroll in Te Ahu o te Reo Maori</p>

<p>We gathered whanau voices on aspirations, communication, connection, and building a community moving forward.</p>	<p>Whanau voice map, feedback, and a plan developed for 2023.</p>	<p>COVID meant connection with whanau was challenging.</p>	<p>Termly whanau hui</p>
<p>Knowledge rich curriculum fully embedded into Y9 and 10 curriculum plans, increasing links to teaching principles to support teaching of powerful knowledge.</p>	<p>Knowledge rich philosophy applied to 2024 curriculum planning in level 1.</p> <p>A gender disparity still exists in achievement data, whilst pass rates are high (L1 94%, L2 93%, L3 92%), NCEA excellence rates shows significant differences in achievement with females far out performing males – 31% at L1, 22% at L2 and 18% at L3.</p>	<p>Explicit teaching is leading to good overall outcomes, however equity is yet to be achieved at the top levels and flow through from Y9 &amp; 10 is yet to occur. Female academic engagement remains higher</p>	<p>Y11 knowledge rich plans to be put in place. More explicit use of teaching principles to guide pedagogy within the classroom at all curriculum levels. Authentic integration of Matauranga Māori into curriculum plans. Clear gender evaluation and target setting focused on boys achievement into classes for 2023.</p>
<p>Grow breadth and quality of IB programme</p>	<p>Rangitoto Average = 37 out of 45 (Global average)</p> <p>100% Pass rate. Second year running</p> <p>17 Top Scholars</p> <p>1 IB45 (top 1% Globally)</p> <p>3 IB44, 4 IB43 4 IB42, 2 IB41, 3 IB40</p> <p>=38% over IB40 (20% in 2021)</p> <p>7 Bilingual Diplomas awarded</p>	<p>IB programme attracting more of top academic students and ongoing upskilling of staff through professional development. We were not able to extend the average although are numbers now place Rangitoto as third highest performing school in NZ.</p>	<p>Targets for 2023:</p> <p>100% of Students attain IB Diploma</p> <p>Rangi IB average IB37 (2020=32, 2021/22 = 37) cohort based</p> <p>10 students gaining IB40+ (30%)</p> <p>Develop leadership depth in programme, bring on another SLT member to backfill T3.</p>

	<p>10 A grades in EE, &amp; 6 A in TOK.</p> <p>Excellent external review from IB</p> <p>Extended staffing responsibility areas</p>		
Teaching Principles	<p>'Exposure' level content available to all staff and departments actively selecting and using this content via the A R E development model, this led to the development of bespoke resources have been created by departments and have been reviewed and refined</p>	<p>Varied levels of inclusion within classroom practice and need for restructuring of school wide PD to weave practice into a more coherent model. This caused a change to our proposed coaching model due to cost and resource limitations when priorities were determined.</p>	<p>'Emerging expertise' level content to be available in 2023 and promoted through departments.</p> <p>Development of measurement and improvement tools offering specific guidance for teachers on enacting teaching principles in their lessons</p> <p>Embedding of teaching principles in NCEA Literacy and Numeracy pilot standards</p>

**Strategic Aim 2): *Growing systems that support students and staff to develop***

**Annual Aim:** To provide students and teachers with programmes that support ongoing growth

**Target:**

- 1) Promote effective school values and support programmes
- 2) Remodelling of tutor to extend positive student outcomes
- 3) Provision of flexible professional development for all staff
- 4) Connecting our community through effective communication channels

**Baseline data:** 4) The College provides parents / whānau with resources to support their children's learning: average junior score 2.91

RANGITOTO COLLEGE ANALYSIS OF VARIANCE REPORTING 2022

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
Review of range of school well being models and analysis of Rangitoto data sets. Worked with Kahui ako to identify future needs. Y9 transition programme updated	Well being committee provided evaluation of models to inform 2023 planning. Led to development of Extended Tutor Time values programme for 2023 incorporating key deliverables across year levels	Timetable review did not produce clear evaluation points for Thrive programme integration	Timetable review for delivery options of Thrive curriculum Ensure staff understand Thrive philosophy Implementation of mood meter app
Te Reo PD uptake by staff was positive.  Instructional coaching model explored.	42 staff involved  The delivery of the full school coaching model has been put on hold while we weave the school strategic pillars.	Numbers fluctuated over year as other priorities competed for staff time  Covid disruption led to delaying of a number of PD initiatives due to staff workload concerns	External Te Reo Maori (Takutu) classes at variety of stages available. Flexible learning will enable staff to complete this in own time.  Rejigging of diploma and certificate programmes to reflect and support strategic priorities of the College.  Support staff PD focus for 2023 to enable specific role related skill development.
Review of external communications	Website improvements made, more regular school newsletters. Start of school flipbook produced.  In school staff resources streamlined and updated	Variety of feedback across year groups – focus decided to be on Year 9 where data indicated most improvement was required.	Enable parent support of learning from home. Explore use of knowledge organisers as homework resource.



**Strategic Aim 3) *Extending opportunities for students to make a positive difference in our community***

**Annual Aim: Creating opportunities for students to make a positive difference in our community**

**Target:** 1. Developing opportunities for our community to grow cultural connection

2. Enhance co-curricular development pathways

3. Service leadership within and beyond our school community

**Baseline data:** 1) No entry to Polyfest for previous 10 years. Whaikairo course numbers – 15 in Y10.

2) 1411 students enrolled in 2019, 74 staff

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Improved support for Māori students with external kapa haka tutors</p> <p>Review of Māori and Pacific leadership programmes</p> <p>Chinese and Korean leadership groups seed funding</p>	<p>Kapa haka competed at Ahurea gaining 5<sup>th</sup> place. Iwi engagement</p> <p>Successful engagement of community in by Korean and Chinese leadership groups with lunar new year celebrations and parent information evenings</p> <p>Hui held during year – increase in numbers attending</p>	<p>Pacific students had less opportunity due to staffing constraints. Kapa haka community concerns.</p>	<p>Polyfest performance on diversity stage</p> <p>Redesign kapa haka programme</p> <p>Language week celebration extension</p> <p>Tu Rangatira split, enabling Y10 to join.</p>
<p>Investment into key extra curricular areas:</p> <p>Sports development programmes delivered</p>	<p>Sports development engagement successful in netball, volleyball and basketball. Pick up and Play developed</p>	<p>Variations in quality of sports development programmes led to engagement issues in some sports.</p>	<p>New sports development model</p> <p>Improved communication of service, clubs and activities opportunities.</p> <p>Sports department to refine marketing of development pathways.</p> <p>S&amp;C programme review</p>
<p>Improved service opportunities in environmental area</p> <p>Website improvements to aid communication</p>	<p>Tree planting with Rotary and Te Hononga a Iwi</p> <p>Some students struggled to access service opportunities for junior diploma</p>	<p>Covid restricted opportunities in first half of year (Relay for Life etc)</p>	<p>Improved communication of service, clubs and activities opportunities.</p> <p>Centurion Reserve Project</p>

**Planning for 2023:**

**Targets:**

**NCEA:**

**To further the engagement of our students, with a particular focus on our young men, by connecting and applying our strategic initiatives to enhance school wide outcomes.**

- 1) 14 Credits Every Student / Every Subject
- 2) 5% Increase in Excellence Endorsement outcomes at NCEA L1,2,3 for boys

**IB**

- 3) 100% of Students attain IB Diploma
- 4) Rangi IB average IB37 (2020=32, 2021/22 = 37) cohort based
- 5) 10 students gaining IB40+ (30%)

**Rangitoto College**

**Kiwi Sport**

As at 31 December 2022

### **KIWI SPORT**

Kiwi Sport is a Government funding initiative to support student's participation in organised sport. In 2022 the school received total Kiwisport funding of \$81,351 (excluding GST). (2021 \$77,818). The funding was spent on extra equipment and additional coaches. The number of students participating in organised sport decreased by approximately 17.8%.

## **Personnel Policy**

### **Outcome statement**

The obligations and responsibilities of being a good employer are met.

### **Scoping**

The board recognises its responsibilities and accountabilities to its employees are achieved through its chief executive.

Good employer means an employer who operates an employment policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment.

### **Delegations**

The board delegates responsibility to the principal on all matters relating to the day-to-day management of staff in the expectation that they will be managed in a sound, fair and respectful manner in accordance with the current terms of employment agreements, school policy and procedures, relevant legislative requirements and identified good practice.

### **Expectations and limitations**

The principal must ensure:

- all employment-related legislative requirements are applied
- all employees understand their rights to personal dignity and safety and ensure that matters are resolved in an appropriate and fair manner
- a smoke-free and vape-free environment is provided
- employment records are maintained and all employees have a written letter of offer of employment, an up to date job description and for non-union employees an individual employment agreement (IEA)
- teachers are consulted when developing a procedure to determine the use of units – units for appropriate positions are allocated in a fair and transparent manner. Any temporary units resulting from roll fluctuations will be awarded to staff following annual consultation with the SLT.
- employee leave is effectively managed and reported so that:
  - o the risk of financial liability is minimised, operational needs are met and the needs of individual staff are considered
  - o board approval is sought for any requests for discretionary staff leave both with or without pay for a period longer than 5 days
  - o board approval is sought for any requests for staff travelling overseas on school business
  - o the board is advised of any staff absences longer than 5 school days that is not covered by a medical certificate or sick leave

- effective and robust performance management systems are in place for all staff that include performance management reviews, attestations for salary increases and staff professional development
- a suitable professional development programme, which takes into consideration the requirements of the strategic and annual plans, is provided as part of each employee's performance agreement
- the requirements of the Health and Safety at Work Act 2015 are met
- advice is sought as necessary from NZSTA advisers or school lawyers where employment issues arise and the school's insurer is notified.

### **Procedures/supporting documentation**

Staff leave form

Staff leave procedure

Staff performance review procedure

Unit allocation procedure

Professional development procedure

Professional development programme/plan

Storage of confidential information

### **Monitoring**

Board to receive monthly reports on personnel.

### **Legislative compliance**

[Employment Relations Act 2000](#)

[Education and Training Act 2020](#)

[Privacy Act 2020](#)

[Health and Safety at Work Act 2015 Collective employment agreements](#)

[Individual employment agreements](#)

[Smokefree Environments and Regulated Products \(Vaping\) Amendment Act 2020](#)

[Domestic Violence – Victims' Protection Act 2018](#)

[Public Records Act 2005](#)

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<b>Reviewed: November 2022</b>	<b>Next review: November 2025</b>
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