

# MAHINAWA SPECIALIST SCHOOL AND RESOURCE CENTRE

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### School Directory

<b>Ministry Number:</b>	2872
<b>Principal:</b>	Sue McLean
<b>School Address:</b>	1b Takapuwahia Drive
<b>School Postal Address:</b>	P O Box 50261, Porirua, 5240
<b>School Phone:</b>	04 238 4314
<b>School Email:</b>	office@mahinawa.school.nz

**Accountant / Service Provider:**

**Education**  *Services.*  
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# MAHINAWA SPECIALIST SCHOOL AND RESOURCE CENTRE

Annual Report - For the year ended 31 December 2022

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Members of the Board

Kiwisport

Analysis of Variance

# Mahinawa Specialist School and Resource Centre

## Statement of Responsibility

For the year ended 31 December 2022

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 2022 fairly reflects the financial position and operations of the school.

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

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Full Name of Presiding Member

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Full Name of Principal

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Signature of Presiding Member

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Signature of Principal

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Date:

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Date:

## Mahinawa Specialist School and Resource Centre 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	5,918,544	5,102,031	5,412,241
Locally Raised Funds	3	19,329	-	844
Interest Income		19,170	4,500	6,714
		<u>5,957,043</u>	<u>5,106,531</u>	<u>5,419,799</u>
<b>Expenses</b>				
Locally Raised Funds	3	8,233	-	12,257
Learning Resources	4	4,705,380	4,506,415	4,383,986
Administration	5	364,433	250,430	249,399
Finance		2,240	1,420	1,630
Property	6	560,814	559,637	435,281
		<u>5,641,100</u>	<u>5,317,902</u>	<u>5,082,553</u>
<b>Net Surplus / (Deficit) for the year</b>		315,943	(211,371)	337,246
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>315,943</u></u>	<u><u>(211,371)</u></u>	<u><u>337,246</u></u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

## Mahinawa Specialist School and Resource Centre Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Equity at 1 January</b>		1,979,038	1,543,275	1,641,792
Total comprehensive revenue and expense for the year		315,943	(211,371)	337,246
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		9,602	-	-
<b>Equity at 31 December</b>		2,304,583	1,331,904	1,979,038
Accumulated comprehensive revenue and expense		2,304,583	1,331,904	1,979,038
<b>Equity at 31 December</b>		2,304,583	1,331,904	1,979,038

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.

## Mahinawa Specialist School and Resource Centre Statement of Financial Position

As at 31 December 2022

		2022	2022	2021
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	1,322,250	434,219	839,160
Accounts Receivable	8	247,574	252,472	287,421
GST Receivable		25,977	-	14,757
Prepayments		13,293	10,539	16,814
Investments	9	447,803	-	439,306
Funds Receivable for Capital Works Projects	15	-	-	1,278
		2,056,897	697,230	1,598,736
<b>Current Liabilities</b>				
GST Payable		-	2,390	-
Accounts Payable	11	275,157	193,247	214,906
Revenue Received in Advance	12	-	-	4,125
Provision for Cyclical Maintenance	13	5,042	3,600	5,000
Finance Lease Liability	14	11,671	10,779	10,781
Funds held for Capital Works Projects	15	37,742	-	6,290
		329,612	210,016	241,102
<b>Working Capital Surplus/(Deficit)</b>		1,727,285	487,214	1,357,634
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	613,180	890,867	654,984
		613,180	890,867	654,984
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	28,216	34,757	22,334
Finance Lease Liability	14	7,666	11,420	11,246
		35,882	46,177	33,580
<b>Net Assets</b>		2,304,583	1,331,904	1,979,038
<b>Equity</b>		2,304,583	1,331,904	1,979,038

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

## Mahinawa Specialist School and Resource Centre

### Statement of Cash Flows

For the year ended 31 December 2022

		2022	2022 Budget	2021
	Note	Actual \$	(Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		3,073,793	2,564,774	2,742,067
Locally Raised Funds		4,538	-	37,664
Goods and Services Tax (net)		(11,220)	-	(17,147)
Payments to Employees		(2,129,941)	(84,500)	(1,990,662)
Payments to Suppliers		(434,242)	(2,405,492)	(361,008)
Interest Paid		(2,240)	(1,420)	(1,630)
Interest Received		17,609	4,500	6,746
Net cash from/(to) Operating Activities		518,297	77,862	416,030
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(61,981)	(262,000)	(182,967)
Purchase of Investments		(8,498)	-	(5,676)
Net cash from/(to) Investing Activities		(70,479)	(262,000)	(188,643)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		9,602	-	-
Finance Lease Payments		(7,060)	(8,342)	(6,031)
Funds Administered on Behalf of Third Parties		32,730	13,292	4,397
Net cash from/(to) Financing Activities		35,272	4,950	(1,634)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>483,090</b>	<b>(179,188)</b>	<b>225,753</b>
Cash and cash equivalents at the beginning of the year	7	839,160	613,407	613,407
<b>Cash and cash equivalents at the end of the year</b>	7	<b>1,322,250</b>	<b>434,219</b>	<b>839,160</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.

# Mahinawa Specialist School and Resource Centre

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Mahinawa Specialist School and Resource Centre (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

##### b) Basis of Preparation

###### **Reporting Period**

The financial statements 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.

###### **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 expense 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 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. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 13.



#### *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 10.

#### **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 14. Future operating lease commitments are disclosed in note 20b.

##### *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. Grants for the use of land and buildings 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 where conditions exist**

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 expected credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

### **h) Inventories**

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

### **i) Investments**

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

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

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

Improvements (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:

Furniture and Equipment	10 years
Information and Communication Technology	5 years
Motor Vehicles	10 years
Leased assets held under a Finance Lease	Term of Lease

### **k) Intangible Assets**

#### *Software costs*

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

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

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

#### *Non cash generating assets*

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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. The valuation is based on a comparison to recent market transactions.

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.

### **m) Accounts Payable**

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

## **n) Employee Entitlements**

### *Short-term employee entitlements*

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

### *Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before 12 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.

## **o) Revenue Received in Advance**

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

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

## **p) Funds Held in Trust**

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

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

## **q) Funds held for 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 Comprehensive Revenue and Expense.

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

## **r) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTLB programme), all income and expenditure related to the provision of the service is recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

## **s) 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 schools 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.

#### **t) 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.

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. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

The School's financial liabilities comprise accounts payable, borrowings, 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.

#### **u) Borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

#### **v) 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.

#### **w) Budget Figures**

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

#### **x) 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	2,992,866	2,534,774	2,698,144
Teachers' Salaries Grants	2,463,082	2,138,539	2,395,729
Use of Land and Buildings Grants	382,087	398,718	287,710
Other Government Grants	80,509	30,000	30,658
	5,918,544	5,102,031	5,412,241

The school has opted in to the donations scheme for this year. Total amount received was \$16,800.

## 3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>			
Donations & Bequests	10,644	-	-
Fees for Extra Curricular Activities	500	-	844
Fundraising & Community Grants	8,185	-	-
	19,329	-	844
<b>Expenses</b>			
Extra Curricular Activities Costs	8,233	-	12,257
	8,233	-	12,257
<i>Surplus/(Deficit) for the year Locally raised funds</i>	11,096	-	(11,413)

## 4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	12,195	23,500	10,443
Employee Benefits - Salaries	2,463,082	2,138,539	2,328,726
Staff Development	20,807	29,500	12,166
Depreciation	129,034	107,974	117,364
Ors Expenditure	2,079,678	2,192,302	1,913,533
Star	-	1,000	-
Outreach Service	584	13,600	1,754
	4,705,380	4,506,415	4,383,986

## 5. Administration

	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Audit Fee	7,195	6,537	6,985
Board Fees	2,430	5,000	4,210
Board Expenses	30,486	34,010	41,015
Communication	24,631	7,200	7,537
Consumables	32,804	19,500	19,039
Operating Lease	-	-	620
Legal Fees	655	2,000	295
Other	99,016	105,150	81,494
Employee Benefits - Salaries	84,755	58,000	74,498
Insurance	8,309	6,033	6,666
Service Providers, Contractors and Consultancy	7,800	7,000	7,040
Healthy School Lunch Programme	66,352	-	-
	<b>364,433</b>	<b>250,430</b>	<b>249,399</b>

## 6. Property

	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Caretaking and Cleaning Consumables	23,821	22,500	20,728
Cyclical Maintenance Provision	5,924	6,108	2,301
Grounds	852	1,000	-
Heat, Light and Water	25,882	23,500	21,840
Rates	7,554	5,500	8,987
Repairs and Maintenance	67,276	56,100	50,198
Use of Land and Buildings	382,087	398,718	287,710
Security	3,207	2,000	1,897
Contractor & Consultancy	44,211	44,211	41,620
	<b>560,814</b>	<b>559,637</b>	<b>435,281</b>

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

	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Bank Accounts	1,219,344	590	737,665
Short-term Bank Deposits	102,906	433,629	101,495
Cash and cash equivalents for Statement of Cash Flows	<b>1,322,250</b>	<b>434,219</b>	<b>839,160</b>

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

Of the \$1,322,250 Cash and Cash Equivalents \$37,742 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

## 8. Accounts Receivable

	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Budget (Unaudited)</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Receivables	29,008	56,121	40,299
Banking Staffing Underuse	-	37,184	67,675
Interest Receivable	2,380	851	819
Teacher Salaries Grant Receivable	216,186	158,316	178,628
	<u>247,574</u>	<u>252,472</u>	<u>287,421</u>
Receivables from Exchange Transactions	31,388	56,972	41,118
Receivables from Non-Exchange Transactions	216,186	195,500	246,303
	<u>247,574</u>	<u>252,472</u>	<u>287,421</u>

## 9. Investments

The School's investment activities are classified as follows:

	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Budget (Unaudited)</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Current Asset			
Short-term Bank Deposits	447,803	-	439,306
Total Investments	<u>447,803</u>	<u>-</u>	<u>439,306</u>



## 10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	181,342	-	-	-	(11,135)	<b>170,207</b>
Furniture and Equipment	274,183	56,692	-	-	(59,988)	<b>270,887</b>
Information and Communication Technology	118,355	19,844	-	-	(31,327)	<b>106,872</b>
Motor Vehicles	59,975	-	-	-	(13,899)	<b>46,076</b>
Leased Assets	21,129	10,694	-	-	(12,685)	<b>19,138</b>
<b>Balance at 31 December 2022</b>	<b>654,984</b>	<b>87,230</b>	<b>-</b>	<b>-</b>	<b>(129,034)</b>	<b>613,180</b>

The net carrying value of equipment held under a finance lease is \$19,138 (2021: \$21,129)

### 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
	\$	\$	\$	\$	\$	\$
Building Improvements	222,693	(52,486)	<b>170,207</b>	222,693	(41,351)	<b>181,342</b>
Furniture and Equipment	700,142	(429,255)	<b>270,887</b>	645,226	(371,043)	<b>274,183</b>
Information and Communication Technology	274,264	(167,392)	<b>106,872</b>	278,697	(160,342)	<b>118,355</b>
Motor Vehicles	106,383	(60,307)	<b>46,076</b>	106,383	(46,408)	<b>59,975</b>
Leased Assets	41,139	(22,001)	<b>19,138</b>	40,949	(19,820)	<b>21,129</b>
<b>Balance at 31 December</b>	<b>1,344,621</b>	<b>(731,441)</b>	<b>613,180</b>	<b>1,293,948</b>	<b>(638,964)</b>	<b>654,984</b>

### 11. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	36,776	8,174	11,048
Accruals	5,695	4,737	5,485
Employee Entitlements - Salaries	216,186	158,316	178,628
Employee Entitlements - Leave Accrual	16,500	22,020	19,745
	<u>275,157</u>	<u>193,247</u>	<u>214,906</u>
Payables for Exchange Transactions	275,157	193,247	214,906
	<u>275,157</u>	<u>193,247</u>	<u>214,906</u>

The carrying value of payables approximates their fair value.

### 12. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Income in Advance	-	-	4,125
	<u>-</u>	<u>-</u>	<u>4,125</u>

### 13. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	27,334	32,249	29,308
Increase to the Provision During the Year	6,342	6,108	6,384
Use of the Provision During the Year	-	-	(4,275)
Other Adjustments	(418)	-	(4,083)
Provision at the End of the Year	<u>33,258</u>	<u>38,357</u>	<u>27,334</u>
Cyclical Maintenance - Current	5,042	3,600	5,000
Cyclical Maintenance - Non current	28,216	34,757	22,334
	<u>33,258</u>	<u>38,357</u>	<u>27,334</u>

Per the cyclical maintenance schedule the school is next expected to undertake painting works during 2023. This plan is based on the schools 10 Year Property plan / painting quotes.

#### 14. 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	13,029	10,779	12,353
Later than One Year and no Later than Five Years	8,097	11,420	12,169
Future Finance Charges	(1,789)	-	(2,495)
	19,337	22,199	22,027

#### Represented by

Finance lease liability - Current	11,671	10,779	10,781
Finance lease liability - Non current	7,666	11,420	11,246
	19,337	22,199	22,027

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

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

	2022	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Sewer Improvements		206084	6,290	-	-	-	6,290
SIP Outdoor Play Area		224119	(278)	2,498	(2,220)	-	-
LSC/SIP Resource Room		220420	(1,000)	60,000	(27,548)	-	31,452
Totals			5,012	62,498	(29,768)	-	37,742

#### Represented by:

Funds Held on Behalf of the Ministry of Education	37,742
Funds Receivable from the Ministry of Education	-

	2021	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
School Autex Wall Covering		215865	615	2,065	(2,680)	-	-
Sewer Improvements		206084	-	6,290	-	-	6,290
SIP Outdoor Play Area		224119	-	26,987	(27,265)	-	(278)
LSC/SIP Resource Room		220420	-	-	(1,000)	-	(1,000)
Totals			615	35,342	(30,945)	-	5,012

#### Represented by:

Funds Held on Behalf of the Ministry of Education	6,290
Funds Receivable from the Ministry of Education	(1,278)

## 16. 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 conditions 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.

## 17. Remuneration

### *Key management personnel compensation*

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

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<i>Board Members</i>		
Remuneration	2,430	4,210
<i>Leadership Team</i>		
Remuneration	588,813	544,542
Full-time equivalent members	5.00	5.04
<b>Total key management personnel remuneration</b>	<b>591,243</b>	<b>548,752</b>

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

### *Principal 1*

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

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	150 - 160
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

### *Other Employees*

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

	<b>2022</b>	<b>2021</b>
<b>Remuneration</b>	<b>FTE Number</b>	<b>FTE Number</b>
<b>\$000</b>		
100 - 110	2.00	1.00
110 - 120	2.00	2.00
	<b>4.00</b>	<b>3.00</b>

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

## 18. Compensation and Other Benefits Upon Leaving

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

	<b>2022 Actual</b>	<b>2021 Actual</b>
Total	-	-
Number of People	-	-

## 19. 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.

## 20. Commitments

### (a) Capital Commitments

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

\$0 contract for the Sewer Improvements as agent for the Ministry of Education. This project is fully funded by the Ministry and \$6,290 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$297,741 contract for the LSC/SIP Resource Room as agent for the Ministry of Education. This project is fully funded by the Ministry and \$60,000 has been received of which \$28,548 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2021:

\$0 contract for the Sewer Improvements as agent for the Ministry of Education. This project is fully funded by the Ministry and \$6,290 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$0 contract for the SIP Outdoor Play Area as agent for the Ministry of Education. This project is fully funded by the Ministry and \$26,987 has been received of which \$27,265 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$250,786 contract for the LSC/SIP Resource Room as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$1,000 has been spent on the project to balance date. This project has been approved by the Ministry.)

### (b) Operating Commitments

There are no operating commitments as at 31 December 2022 (Operating commitments at 31 December 2021: nil).

## 21. 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

	<b>2022</b>	<b>2022 Budget</b>	<b>2021</b>
	<b>Actual</b>	<b>(Unaudited)</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash and Cash Equivalents	1,322,250	434,219	839,160
Receivables	247,574	252,472	287,421
Investments - Term Deposits	447,803	-	439,306
Total Financial assets measured at amortised cost	2,017,627	686,691	1,565,887

### Financial liabilities measured at amortised cost

Payables	275,157	193,247	214,906
Finance Leases	19,337	22,199	22,027
Total Financial Liabilities Measured at Amortised Cost	294,494	215,446	236,933

## 22. Events After Balance Date

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

## 23. Comparatives

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

## Mahinawa Specialist School and Resource Centre

### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Sue McLean	Principal	ex Officio	
Larissa Toelupe	Parent Representative	Elected	Sep 2025
Matthew Lord	Parent Representative	Elected	Sep 2022
Ged Callaghan	Parent Representative	Co-opted	Sep 2025
Tangiwai Moki-Hopfler	Parent Representative	Elected	Sep 2022
Rob Noon	Parent Representative	Elected	Sep 2022
Craig Hill	Parent Representative	Elected	Sep 2025
Kirsty Holden	Parent Representative	Elected	Sep 2025
Tricia Phillips	Parent Representative	Elected	Sep 2025
Kylee MacKay	Staff Representative	Elected	Sep 2025

## **Mahinawa Specialist School and Resource Centre**

### **Kiwisport**

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2022, the school received total Kiwisport funding of \$2,363 (excluding GST). The funding was spent on sporting endeavours.