

FRUITVALE ROAD SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	1281
Principal:	Donal McLean
School Address:	9 Croydon Road, New Lynn, Auckland 0600
School Postal Address:	9 Croydon Road, New Lynn, Auckland 0600
School Phone:	09 827 2752
School Email:	principal@fruitvale.school.nz

Members of the Board of Trustees

Name	How Position Gained	Position	Term Expires
Denise Hall	Elected	Treasurer	Sep-22
Donal McLean	Appointed	Principal	Current
Liam Kelly	Elected	Staff Representative	Dec-21
Nicollette Woolford	Elected	Board Member	Sep-22
Poata Eruera	Elected	Chairperson	Sep-22
Rebecca Bennet	Elected	Board Member	Sep-22

Service Provider:

Leading Edge Services (2017) Ltd, PO Box 20496, Glen Eden, Auckland

FRUITVALE ROAD SCHOOL

Annual Report - For the year ended 31 December 2021

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Fruitvale Road School

Statement of Responsibility

For the year ended 31 December 2021

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

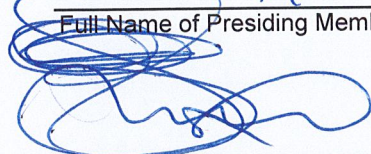
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2021 fairly reflects the financial position and operations of the school.

The School's 2021 financial statements are authorised for issue by the Board.

ROATA FRUERA

Full Name of Presiding Member



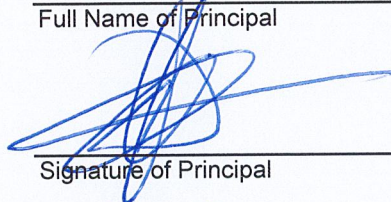
Signature of Presiding Member

08.03.23

Date:

DONNA McLEAN

Full Name of Principal



Signature of Principal

7/03/23

Date:

Fruitvale Road School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	3,092,435	2,754,439	3,062,745
Locally Raised Funds	3	81,443	65,000	70,411
Interest Income		1,379	3,000	4,873
		<u>3,175,257</u>	<u>2,822,439</u>	<u>3,138,029</u>
Expenses				
Locally Raised Funds	3	43,413	23,648	51,630
Learning Resources	4	1,997,011	1,715,011	1,923,008
Administration	5	177,739	176,250	167,886
Finance		2,721	2,600	2,604
Property	6	799,677	803,228	846,168
Depreciation	11	109,163	96,000	101,589
Loss on Disposal of Property, Plant and Equipment		417	-	3,419
		<u>3,130,141</u>	<u>2,816,737</u>	<u>3,096,304</u>
Net Surplus / (Deficit) for the year		45,116	5,702	41,725
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>45,116</u>	<u>5,702</u>	<u>41,725</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.

Fruitvale Road School

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	7	357,325	433,921	392,346
Accounts Receivable	8	159,649	164,736	164,736
GST Receivable		10,650	(605)	-
Prepayments		4,991	3,389	3,389
Funds due for Capital Works Projects	17	31,678	-	-
Inventories	9	1,880	1,303	1,303
Investments	10	150,252	202,790	202,790
		716,425	805,534	764,564
Current Liabilities				
GST Payable		-	-	605
Accounts Payable	12	183,614	240,248	235,375
Borrowings	13	5,317	5,317	5,317
Revenue Received in Advance	14	5,068	-	-
Provision for Cyclical Maintenance	15	37,848	46,750	46,750
Finance Lease Liability	16	8,814	12,189	12,188
Funds held for Capital Works Projects	17	6,044	67,263	65,333
Funds held on behalf of Kiwi Park Cluster	18	47,010	34,815	36,745
		293,715	406,582	402,313
Working Capital Surplus/(Deficit)		422,710	398,952	362,251
Non-current Assets				
Property, Plant and Equipment	11	539,822	533,110	564,107
		539,822	533,110	564,107
Non-current Liabilities				
Borrowings	13	15,952	21,269	21,269
Provision for Cyclical Maintenance	15	16,666	32,030	32,030
Finance Lease Liability	16	22,658	10,920	10,921
		55,276	64,219	64,220
Net Assets		907,257	867,843	862,141
Equity		907,257	867,843	862,141

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

Fruitvale Road School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		862,141	862,141	798,416
Total comprehensive revenue and expense for the year		45,116	5,702	41,725
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	22,000
Equity at 31 December		907,257	867,843	862,141
Retained Earnings		907,257	867,843	862,141
Equity at 31 December		907,257	867,843	862,141

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.

Fruitvale Road School

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		682,950	696,587	785,476
Locally Raised Funds		107,379	44,132	49,543
Goods and Services Tax (net)		(11,255)	14,819	14,819
Payments to Employees		(390,364)	(252,381)	(373,170)
Payments to Suppliers		(312,514)	(306,166)	(301,527)
Interest Paid		(2,721)	(2,600)	(2,604)
Interest Received		1,915	2,471	4,344
Net cash from/(to) Operating Activities		75,390	196,862	176,881
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(86,252)	(87,713)	(105,392)
Sale/(Purchase) of Investments		52,538	(202,790)	(202,790)
Net cash from/(to) Investing Activities		(33,714)	(290,503)	(308,182)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	22,000
Finance Lease Payments		9,323	(11,535)	(12,865)
Loans Received/ (Repayment of Loans)		(5,317)	26,586	26,586
Funds Administered on Behalf of Third Parties		(80,703)	69,736	69,736
Net cash from/(to) Financing Activities		(76,697)	84,787	105,457
Net increase/(decrease) in cash and cash equivalents		(35,021)	(8,854)	(25,844)
Cash and cash equivalents at the beginning of the year	7	392,346	442,775	418,189
Cash and cash equivalents at the end of the year	7	357,325	433,921	392,346

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.

Fruitvale Road School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial Reporting Standards Applied

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as 'having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders'.

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

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

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

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

c) Revenue Recognition**Government Grants**

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

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

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

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

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

d) 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.

e) 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.

f) 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.

g) 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.

h) 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.

i) Property, Plant and Equipment

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

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	40 years
Furniture and equipment	10 years
Information and communication technology	3-5 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

j) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

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

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

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

The reversal of an impairment loss is recognised in the surplus or deficit.

k) Accounts Payable

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

l) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows

m) Revenue Received in Advance

Revenue received in advance relates to fees received from 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.

n) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

o) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

p) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

q) Borrowings

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

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

r) 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.

s) Budget Figures

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

t) Services received in-kind

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

2. Government Grants

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Operational Grants	553,478	526,644	544,667
Teachers' Salaries Grants	1,704,749	1,461,717	1,630,473
Use of Land and Buildings Grants	660,520	629,978	662,500
Other MoE Grants	151,871	112,100	207,551
Other Government Grants	21,817	24,000	17,554
	<u>3,092,435</u>	<u>2,754,439</u>	<u>3,062,745</u>

The school has opted in to the donations scheme for this year. Total amount received was \$48,300.

3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Revenue			
Donations & Bequests	3,439	23,500	17,891
Fees for Extra Curricular Activities	5,483	13,500	5,280
Trading	15,171	12,000	11,040
Fundraising & Community Grants	57,350	16,000	36,200
	<u>81,443</u>	<u>65,000</u>	<u>70,411</u>
Expenses			
Extra Curricular Activities Costs	17,560	14,648	12,297
Trading	9,560	8,000	11,815
Fundraising and Community Grant Costs	16,293	1,000	27,518
	<u>43,413</u>	<u>23,648</u>	<u>51,630</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>38,030</u>	<u>41,352</u>	<u>18,781</u>

4. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	59,916	80,544	57,404
Equipment Repairs	2,164	3,000	5,087
Library Resources	738	750	-
Employee Benefits - Salaries	1,925,348	1,609,717	1,843,968
Staff Development	8,845	21,000	16,549
	<u>1,997,011</u>	<u>1,715,011</u>	<u>1,923,008</u>

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	7,505	7,500	5,820
Board Fees	3,095	3,500	2,800
Board Expenses	10,066	15,600	7,767
Communication	9,970	9,700	11,024
Consumables	5,542	14,450	10,962
Other	22,947	23,200	17,279
Employee Benefits - Salaries	100,241	81,000	94,348
Insurance	5,149	8,500	5,245
Service Providers, Contractors and Consultancy	13,224	12,800	12,641
	<u>177,739</u>	<u>176,250</u>	<u>167,886</u>

6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	34,078	49,700	51,666
Cyclical Maintenance Provision	(10,353)	10,000	13,500
Grounds	6,881	13,000	15,742
Heat, Light and Water	19,863	23,000	24,169
Rates	191	50	53
Repairs and Maintenance	8,656	14,000	14,813
Use of Land and Buildings	660,520	629,978	662,500
Security	3,333	3,500	3,779
Employee Benefits - Salaries	76,508	60,000	59,946
	<u>799,677</u>	<u>803,228</u>	<u>846,168</u>

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

7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	357,325	403,903	362,328
Short-term Bank Deposits	-	30,018	30,018
Cash and cash equivalents for Statement of Cash Flows	<u>357,325</u>	<u>433,921</u>	<u>392,346</u>

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

Of the \$357,325 Cash and Cash Equivalents, \$47,010 is held by the School on behalf of the RT Lits cluster. See note 25 for details of how the funding received for the cluster has been spent in the year.

8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	-	20,868	20,868
Interest Receivable	292	828	828
Teacher Salaries Grant Receivable	159,357	143,040	143,040
	<u>159,649</u>	<u>164,736</u>	<u>164,736</u>
Receivables from Exchange Transactions	292	21,696	21,696
Receivables from Non-Exchange Transactions	159,357	143,040	143,040
	<u>159,649</u>	<u>164,736</u>	<u>164,736</u>

9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	1,880	1,303	1,303
	<u>1,880</u>	<u>1,303</u>	<u>1,303</u>

10. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	150,252	202,790	202,790
Total Investments	<u>150,252</u>	<u>202,790</u>	<u>202,790</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements	108,464	-	-	-	(5,038)	103,427
Furniture and Equipment	337,289	32,659	(233)	-	(53,971)	315,744
Information and Communication Technology	70,463	30,222	-	-	(35,225)	65,461
Leased Assets	21,549	31,072	(10,791)	-	(11,393)	30,436
Library Resources	26,342	2,133	(184)	-	(3,536)	24,754
Balance at 31 December 2021	<u>564,107</u>	<u>96,086</u>	<u>(11,208)</u>	<u>-</u>	<u>(109,163)</u>	<u>539,822</u>

The net carrying value of equipment held under a finance lease is \$30,436 (2020: \$21,549)

	2021	2021	2021	2020	2020	2020
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Building Improvements	201,501	(98,074)	103,427	201,501	(93,036)	108,464
Furniture and Equipment	689,149	(373,405)	315,744	686,734	(349,445)	337,289
Information and Communication Technology	335,727	(270,266)	65,461	360,787	(290,322)	70,463
Motor Vehicles	44,137	(44,137)	-	44,137	(44,137)	-
Leased Assets	48,075	(17,639)	30,436	49,035	(27,486)	21,549
Library Resources	98,644	(73,890)	24,754	97,192	(70,850)	26,342
Balance at 31 December	1,417,233	(877,411)	539,822	1,439,386	(875,276)	564,107

12. Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	8,146	45,250	40,377
Accruals	7,205	5,820	5,820
Banking Staffing Overuse	6,997	44,216	44,216
Employee Entitlements - Salaries	159,357	143,040	143,040
Employee Entitlements - Leave Accrual	1,909	1,922	1,922
	183,614	240,248	235,375
Payables for Exchange Transactions	183,614	240,248	235,375
	183,614	240,248	235,375

The carrying value of payables approximates their fair value.

13. Borrowings

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Loans due in one year	5,317	5,317	5,317
Loans due after one year	15,952	21,269	21,269
	21,269	26,586	26,586

The school has borrowings at 31 December 2021 of \$21,269 (31 December 2020 \$26,586). This loan is from the Energy Efficiency and Conservation Authority for the purpose of upgrading of lighting to LED. The loan is unsecured, interest is 0.00% per annum and the loan is payable with interest in equal instalments of \$1,329.30.

14. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Other revenue in Advance	5,068	-	-
	<u>5,068</u>	<u>-</u>	<u>-</u>

15. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	78,780	78,780	65,280
Increase/ (decrease) to the Provision During the Year	(10,353)	10,000	13,500
Use of the Provision During the Year	(13,913)	(10,000)	-
Provision at the End of the Year	<u>54,514</u>	<u>78,780</u>	<u>78,780</u>
Cyclical Maintenance - Current	37,848	46,750	46,750
Cyclical Maintenance - Term	16,666	32,030	32,030
	<u>54,514</u>	<u>78,780</u>	<u>78,780</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:

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
No Later than One Year	11,259	12,189	13,752
Later than One Year and no Later than Five Years	26,254	10,920	11,573
Later than Five Years			
Future Finance Charges	(6,041)	-	(2,216)
	<u>31,472</u>	<u>23,109</u>	<u>23,109</u>
Represented by			
Finance lease liability - Current	8,814	12,189	12,188
Finance lease liability - Term	22,658	10,920	10,921
	<u>31,472</u>	<u>23,109</u>	<u>23,109</u>

17. Funds Held for Capital Works Projects

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

	2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Flooring Replacement	<i>in progress</i>	48,668		(51,998)		(3,330)
Blocks 1,2,7 Refurbishment	<i>in progress</i>	2,529	476,271	(476,609)		2,191
Covered Outdoor Learning	<i>in progress</i>	14,136		(10,283)		3,853
Block 2 LSC Office	<i>in progress</i>	-		(1,604)		(1,604)
Shade Structure	<i>in progress</i>	-	64,832	(77,945)		(13,113)
Stage Project	<i>in progress</i>	-		(13,631)		(13,631)
Totals		65,333	541,103	(632,070)	-	(25,634)

Represented by:

Funds Held on Behalf of the Ministry of Education	6,044
Funds Due from the Ministry of Education	(31,678)
	(25,634)

	2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Flooring Replacement	<i>in progress</i>	-	73,198	(24,530)	-	48,668
Blocks 1,2,7 Refurbishment	<i>in progress</i>	-	53,468	(50,940)	-	2,529
Covered Outdoor Learning	<i>in progress</i>	-	24,300	(10,164)	-	14,136
Drainage Repairs	<i>completed</i>	-	26,651	(26,651)	-	-
Ruru Doors	<i>completed</i>	-	17,386	(17,386)	-	-
Turf	<i>completed</i>	-	16,567	(16,567)	-	-
Totals		-	211,570	(146,238)	-	65,333

18. Funds Held on Behalf of RTLits Cluster

Fruitvale Road School is the lead school and holds funds on behalf of the cluster, a group of schools funded by the Ministry.

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	36,745	36,745	32,342
Funds Received from Cluster Members			
Funds Received from MoE	204,564	175,780	192,732
Total funds received	204,564	175,780	192,732
Funds Spent on Behalf of the Cluster	194,299	177,710	188,329
Funds remaining	10,265	(1,930)	4,403
Funds Held at Year End	47,010	34,815	36,745

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.

20. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	3,095	2,800
<i>Leadership Team</i>		
Remuneration	374,076	370,382
Full-time equivalent members	3	3
Total key management personnel remuneration	377,171	373,182

There are five members of the Board excluding the Principal. The Board had held eight full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	140-150
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100-110	1.00	0.00
120-130	0.00	1.00
	1.00	1.00

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 board members, committee members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2021 Actual	2020 Actual
Total	-	-
Number of People	-	-

22. Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2021 (Contingent liabilities and assets at 31 December 2020: nil).

Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2021, a contingent liability for the school may exist.

23. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has not entered into contract agreements for capital works.

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

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Cash and Cash Equivalents	357,325	433,921	392,346
Receivables	159,649	164,736	164,736
Investments - Term Deposits	150,252	202,790	202,790
Total Financial assets measured at amortised cost	<u>667,226</u>	<u>801,447</u>	<u>759,872</u>

Financial liabilities measured at amortised cost

	2021	2021	2020
	183,614	240,248	235,375
Payables	21,269	26,586	26,586
Borrowings - Loans	31,472	23,109	23,109
Finance Leases			
Total Financial Liabilities Measured at Amortised Cost	<u>236,355</u>	<u>289,943</u>	<u>285,070</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.