OWHIRO BAY SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

School Address:	Happy Valley Road, Owhiro Bay, Wellington
Principal:	Tineke Giddy
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School Email:	office@owhiro.school.nz
Ministry Number:	2942
Accounting Provider:	Accounting For Schools Ltd

OWHIRO BAY SCHOOL

Financial Statements - For the year ended 31 December 2021

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OWHIRO BAY SCHOOL

Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2021

	Notes	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Revenue				
Government Grants	2	1,264,582	1,225,508	1,230,964
Locally Raised Funds	3	30,930	52,275	55,574
Interest Earned		2,141	2,000	4,219
		1,297,653	1,279,783	1,290,757
Expenses				
Locally Raised Funds	3	3,846	2,875	3,155
Learning Resources	4	935,878	875,637	864,804
Administration	5	71,193	74,760	76,499
Finance		475	-	378
Property	6	269,993	311,427	310,806
Depreciation	11	25,266	18,000	24,767
Loss on Disposal of Property, Plant and Equipment		-	-	1,941
		1,306,651	1,282,699	1,282,350
Net Surplus for the year		(8,998)	(2,916)	8,407
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		(8,998)	(2,916)	8,407

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

OWHIRO BAY 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.

Philippa Henwood
Full Name of Presiding Member

Tineke Giddy
Full Name of Principal

Signature of Presiding Member

Signature of Principal

31 May 2022
Date:

31 May 2022
Date:

OWHIRO BAY SCHOOL

Statement of Changes in Net Assets/Equity
For the year ended 31 December 2021

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Balance at 1 January	407,658	407,658	377,876
Total comprehensive revenue and expense for the year	(8,998)	(2,916)	8,407
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	21,375
Equity at 31 December	398,660	404,742	407,658
Retained Earnings	398,660	404,742	407,658
Equity at 31 December	398,660	404,742	407,658

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.

OWHIRO BAY 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	51,323	205,879	173,075
Accounts Receivable	8	54,784	60,650	59,359
GST Receivable		4,879	13,000	13,276
Inventories	9	410	300	286
Investments	10	289,578	180,000	187,588
Prepayments		6,761	6,004	5,012
		407,735	465,833	438,596
Current Liabilities				
Accounts Payable	12	83,405	87,500	89,311
Finance Lease Liability	14	2,840	2,500	2,511
Provision for Cyclical Maintenance	13	-	12,000	12,000
Funds held for Capital Works Projects	15	329	10,000	11,672
		86,574	112,000	115,494
Working Capital Surplus/(Deficit)		321,161	353,833	323,102
Non-current Assets				
Property, Plant and Equipment	11	103,688	78,809	105,918
		103,688	78,809	105,918
Non-current Liabilities				
Finance Lease Liability	14	2,146	2,900	2,905
Provision for Cyclical Maintenance	13	24,043	25,000	18,457
		26,189	27,900	21,362
Net Assets		398,660	404,742	407,658
Equity		398,660	404,742	407,658

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

OWHIRO BAY 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		313,210	285,369	308,415
Locally Raised Funds		30,930	52,333	55,574
Goods and Services Tax (net)		8,393	272	(7,452)
Payments to Employees		(181,732)	(154,791)	(159,346)
Payments to Suppliers		(157,402)	(167,364)	(140,350)
Interest Paid		(475)	-	(378)
Interest Received		2,119	1,976	4,932
Net cash from/(to) the Operating Activities		15,043	17,795	61,395
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(20,587)	9,109	(14,408)
Purchase of Investments		(101,990)	-	(4,842)
Proceeds from Sale of Investments		-	7,588	-
Net cash from/(to) the Investing Activities		(122,577)	16,697	(19,250)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	21,375
Finance Lease Payments		(2,875)	(16)	(1,960)
Funds Administered on Behalf of Third Parties		(11,343)	(1,672)	30,671
Net cash from Financing Activities		(14,218)	(1,688)	50,086
Net increase/(decrease) in cash and cash equivalents		(121,752)	32,804	92,231
Cash and cash equivalents at the beginning of the year	7	173,075	173,075	80,844
Cash and cash equivalents at the end of the year	7	51,323	205,879	173,075

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 Cash Flow Statement should be read in conjunction with the accompanying notes which form part of these financial statements.

OWHIRO BAY SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2021

1. Statement of Accounting Policies

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

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

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

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

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

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

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

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

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

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

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

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

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

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

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

d) Use of Land and Buildings Expense
The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

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

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

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

h) Accounts Receivable
Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

i) Inventories
Inventories are consumable items held for sale and comprise of stationery. 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.

j) 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.

k) 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.

Property, plant and equipment acquired with individual values under $1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

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

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–75 years
Furniture and Equipment	10–15 years
Information and Communication Technology	3 - 5 years
Leased Assets held under a Finance Lease	3 - 5 years
Library Resources	12.5% Diminishing value
Playground & Ground Improvements	10–15 years

l) Impairment of property, plant, and equipment and intangible assets
The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

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

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

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

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

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

n) Employee Entitlements
Short-term employee entitlements
Employee 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.

o) 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 school 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.

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

q) 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.

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 at the start of the year.

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.

OWHIRO BAY SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2021

2. Government Grants

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Operational grants	230,924	203,411	224,506
Other government grants	8,974	10,500	1,053
Other MoE Grants	76,951	71,597	80,828
Teachers' salaries grants	734,053	700,000	683,250
Use of Land and Buildings grants	213,680	240,000	241,327
	1,264,582	1,225,508	1,230,964

Other MOE Grants total includes no additional COVID-19 funding for the year ended 31 December 2021 (2020: $4,546).

3. Locally Raised Funds

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

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Revenue			
Fundraising & Community Grants	4,700	-	22,000
Donations & Bequests	13,590	36,700	13,960
Other revenue	8,668	12,500	15,700
Trading	3,972	3,075	3,914
	30,930	52,275	55,574
Expenses			
Trading	3,846	2,875	3,155
	3,846	2,875	3,155
Surplus for the year Locally raised funds	27,084	49,400	52,419

4. Learning Resources

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Curricular	26,248	30,146	28,843
Employee Benefits - Salaries	879,233	809,791	807,097
Information and Communication Technology	13,734	8,700	8,888
Library Resources	1,339	1,000	2,692
Staff Development	15,324	26,000	17,284
	935,878	875,637	864,804

5. Administration

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Audit Fee	6,777	6,000	6,020
Board of Trustees Expenses	4,593	4,000	5,836
Board of Trustees Fees	1,550	3,800	2,320
Communication	2,015	2,100	2,015
Consumables	1,709	4,400	4,584
Employee Benefits - Salaries	42,147	45,000	46,278
Insurance	6,021	5,000	5,815
Operating Lease	-	1,000	-
Other	1,521	1,460	1,631
Service Providers, Contractors and Consultancy	4,860	2,000	2,000
	71,193	74,760	76,499

6. Property

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Caretaking and Cleaning Consumables	5,466	3,800	6,071
Consultancy and Contract Services	22,492	22,000	23,569
Cyclical Maintenance Expense	(6,414)	8,500	13,814
Grounds	6,108	6,500	6,822
Heat, Light and Water	5,060	10,167	6,198
Rates	4,179	4,700	3,210
Repairs and Maintenance	13,598	14,860	8,989
Security	5,824	900	806
Use of Land and Buildings	213,680	240,000	241,327
	269,993	311,427	310,806

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 Current Account	34,317	188,879	156,078
Bank Call Account	17,006	17,000	16,997
Cash equivalents and bank overdraft for Cash Flow Statement	51,323	205,879	173,075

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

Of the $51,323 Cash and Cash Equivalents, $329 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2022 on Crown owned school buildings under the School's Five Year Property Plan.

8. Accounts Receivable

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Receivables	1,194	1,700	1,772
Interest Receivable	948	950	926
Teacher Salaries Grant Receivable	52,642	58,000	56,661
	54,784	60,650	59,359
Receivables from Exchange Transactions	2,142	2,650	2,698
Receivables from Non-Exchange Transactions	52,642	58,000	56,661
	54,784	60,650	59,359

9. Inventories

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Stationery	410	300	286

10. Investments

The School's investment activities are classified as follows:

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Current Asset			
Short-term Bank Deposits	289,578	180,000	187,588

OWHIRO BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

11. Property, Plant and Equipment

2021	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	Total (NBV) $
Buildings	3,422	3,900	-	-	(669)	6,653
Furniture and Equipment	41,379	13,959	-	-	(8,768)	46,570
Information Technology	14,692	2,732	-	-	(7,538)	9,886
Leased Assets	4,912	2,445	-	-	(2,863)	4,494
Library Resources	579	-	-	-	(32)	547
Playground & Ground Improvements	40,934	-	-	-	(5,396)	35,538
Balance at 31 December 2021	105,918	23,036	-	-	(25,266)	103,688

The net carrying value of equipment held under a finance lease is $4,494 (2020: $4,912).

2021	2021 Cost or Valuation $	2021 Accumulated Depreciation $	2021 Net Book Value $	2020 Cost or Valuation $	2020 Accumulated Depreciation $	2020 Net Book Value $
Buildings	17,449	(10,797)	6,653	13,549	(10,127)	3,422
Furniture and Equipment	165,188	(118,619)	46,570	151,230	(109,851)	41,379
Information Technology	101,199	(91,314)	9,886	98,468	(83,776)	14,692
Leased Assets	13,603	(9,110)	4,494	11,158	(6,246)	4,912
Library Resources	827	(280)	547	827	(248)	579
Playground & Ground Improvements	143,877	(108,339)	35,538	143,877	(102,943)	40,934
Balance at 31 December 2021	442,143	(338,459)	103,688	419,109	(313,191)	105,918

12. Accounts Payable

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Creditors	19,295	14,000	15,350
Accruals	5,242	7,000	6,520
Banking staffing overuse	-	3,500	3,639
Employee Entitlements - salaries	52,642	56,000	56,661
Employee Entitlements - leave accrual	6,226	7,000	7,141
	83,405	87,500	89,311
Payables for Exchange Transactions	83,405	87,500	89,311
	83,405	87,500	89,311

The carrying value of payables approximates their fair value.

13. Provision for Cyclical Maintenance

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Provision at the Start of the Year	30,457	30,457	16,643
Increase to the Provision During the Year	(6,414)	8,500	13,814
Use of the Provision During the Year	-	(1,957)	-
Provision at the End of the Year	24,043	37,000	30,457
Cyclical Maintenance - Current	-	12,000	12,000
Cyclical Maintenance - Term	24,043	25,000	18,457
	24,043	37,000	30,457

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:

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
No Later than One Year	3,171	2,500	2,511
Later than One Year and no Later than Five Years	2,282	2,500	2,905
Future Finance Charges	(467)	-	-
	4,986	5,000	5,416
Represented by			
Finance lease liability - Current	2,840	2,500	2,511
Finance lease liability - Term	2,146	2,500	2,905
	4,986	5,000	5,416

15. Funds Held for Capital Works Projects

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

2021		Opening Balances $	Receipts from MoE $	Payments $	BOT Contribution/ (Write-off to R&M) $	Closing Balances $
SIP; AMS; SPG A:Combined DQLS Roofing (prev two Block A projects)	*in progress*	11,672	699,779	(711,122)	-	329
Totals		11,672	699,779	(711,122)	-	329

Represented by:	
Funds Held on Behalf of the Ministry of Education	329
Funds Due from the Ministry of Education	-
	329

2020		Opening Balances $	Receipts from MoE $	Payments $	BOT Contribution/ (Write-off to R&M) $	Closing Balances $
Blk A Refurbishment toilets	*in progress*	(18,999)	-	-	-	(18,999)
Block A Modernisation	*in progress*	-	80,511	(49,840)	-	30,671
Totals		(18,999)	80,511	(49,840)	-	11,672

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 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.

17. Remuneration

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

	2021 Actual $	2020 Actual $
Board Members		
Remuneration	1,550	2,320
Leadership Team		
Remuneration	232,604	224,202
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	234,154	226,522
Total full-time equivalent personnel	2.00	2.00

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. 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:

	2021 Actual $000	2020 Actual $000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 130	120 - 130
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

Other Employees

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

Remuneration $000	2021 FTE	2020 FTE
100 - 110	1	-

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 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:

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

19. Contingencies

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

Holidays Act Compliance – schools payroll
The Ministry of Education performs payroll processing and payments on behalf of boards, through payroll service provider Education Payroll Limited.

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

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

20. Commitments

(a) Capital Commitments
As at 31 December 2021 the Board has entered into the following contract agreements for capital works:
(i) Combined block A modernisation at a total cost of $830,564, which is fully funded by the Ministry. To date, $780,290 has been received and $760,962 has been spent.
(Capital commitments at 31 December 2020: $821,358)

(b) Operating Commitments
As at 31 December 2021 the Board has not entered into any contracts.
(Operating commitments at 31 December 2020: nil)

21. Financial Instruments

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

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Financial assets measured at amortised cost			
Cash and Cash Equivalents	51,323	205,879	173,075
Receivables	54,784	60,650	59,359
Investments - Term Deposits	289,578	180,000	187,588
Total Financial Assets Measured at Amortised Cost	395,685	446,529	420,022
Financial liabilities measured at amortised cost			
Payables	24,537	87,500	25,509
Finance Leases	4,986	5,400	5,416
Total Financial Liabilities Measured at Amortised Cost	29,523	92,900	30,925

22. Events After Balance Date

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

OWHIRO BAY SCHOOL

Members of the Board

For the year ended 31 December 2021

Name	Position	How position on Board gained	Occupation	Term expired/expires
Philippa Henwood	Presiding Member	Elected Nov 2017, Relected Dec 2020		Sep-22
Tineke Giddy	Principal	Appointed	Principal	
Fiona Hayvice	Parent Rep	Elected Jun 2019		Sep-22
Megan Kyrke-Smith	Parent Rep	Elected Jun 2019		Sep-22
Daniel Neely	Parent Rep	Elected Jun 2019		Sep-22
Niky Clegg	Staff Rep	Elected Dec 2020		Sep-22
Makere Derbyshire	Parent Rep	Elected Dec 2020		Sep-22

OWHIRO BAY SCHOOL

Kiwi Sport Statement
For the year ended 31 December 2021

Kiwisport is a Government funding initiative to support sport for school aged children.

In 2021 the School received Kiwi Sport funding of $1,768 (2020: $1,755).

Kiwisport funding was used to:

1. Cover registration fees for those unable to afford floorball, netball, or touch fees.
2. Transport students to the Southern Zone and Inter Zone sports event-Cross Country and Athletics.
3. Contribute towards the cost of professional swimming lessons at both Little Makos in Berhampore and WRAC (Kilbirnie Pool).

Highlights for our students this year include having;

•Students and the wider community enjoy the use of our portable tennis net/tennis courts year round purchased late in 2020.
•Replacing our soccer goals and nets due to sea salt and corrosion.
•The registration of 5 Floorball teams in the local after school floorball competition, involving 35 students across Year levels from 1 to 6.
•Having a school based netball team.
•134 students receiving swimming instruction each week in Term 4.

31 May 2022

Geoff Potter
BDO Wellington Audit Limited
Level 1, 50 Customhouse Quay
Wellington 6011

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2021

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of Owhiro Bay School (the School) for the year ended 31 December 2021 for the purpose of expressing an independent opinion about whether the financial statements:

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

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

General representations

To the best of our knowledge and belief:

- the resources, activities, under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is, we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud or error, and which enables the preparation of the financial statements that are free from material misstatement whether due to fraud or error (*a requirement of paragraph NZ40.1(a) in ISA (NZ) 240*).

Representations for the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 87 of the Education Act 1989 and, in particular, that the financial statements:
  - present fairly, in all material respects:
    - the financial position as at 31 December 2021; and
    - the financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime.
- we believe the methods, significant assumptions, and data used in making and supporting the accounting estimates and the related disclosures in the financial statements are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter;

- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime.

Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
  - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements and
  - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with the financial statements, and the other information does not contain any material misstatements.
- we confirm that the property manager used to prepare the 10 year property plan, Octa Property Management is independent to Owhiro Bay School.

Going concern basis of accounting

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2021. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from the date of signing the financial statements, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, that we can reasonably be expected to be aware of concerning the adoption of the going concern basis of accounting by the School.

Publication of the financial statements and related audit report on a website

We confirm that we are responsible for the electronic presentation of the audited financial statements, and:

- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.
- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully

Philippa Henwood PHenwood 31 May 2022

Presiding Member

Tineke CEJ Giddy 31 May 2022

Principal

INDEPENDENT AUDITOR'S REPORT

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

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

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 31 May 2022. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 1 and 20 to 21, 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.



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

MINISTRY OF EDUCATION
TE TĀHUHU O TE MĀTAURANGA

Analysis of Variance Reporting

School Name:	Owhiro Bay School	**School Number**:	2942

Strategic Aim:	Ensure all ākonga experience success and equity in academic achievement.
Annual Aim:	To raise the achievement in mathematics from 70% to 80% by the end of Year 6.
Target:	To increase the total number of ākonga achieving at the expected curriculum level in maths from 70% to 80%.
Baseline Data:	2020 end of year data indicated that 20 ākonga were below expected levels in maths. The breakdown of these students was Year 1 -5 Year 2 -4 Year 3 -4 Year 4 -4 Year 5 -3 Year 6 -0 The group includes 9 boys and 11 girls

Actions ***What did we do?***	**Outcomes** ***What happened?***	**Reasons for the variance** ***Why did it happen?***	**Evaluation** ***Where to next?***
Priority timetabling was given to Maths, where most teachers were teaching Maths in the first part of the day where the children were refreshed. Review of current data and assessment tools was done. We defined exactly what constitutes- below expected curriculum level at expected curriculum level above curriculum level to enable consistency of teacher OTJ's. This was brought into line with real time reporting cycle. The School-Wide annual maths plan has been reviewed, with view to integrating it into our wider curriculum plan and creating a more integrated version. After a team wide resource discovery session, it was determined that very few purchases needed to be made. We replaced our scale sets.	*End of 2021, whole school maths data shows we have 75% of our ākonga achieved at or above expected levels. Of our Year 6 ākonga, 78% have transitioned out of OBS working at or above expected levels. Of our ākonga Māori, 41% of the students are working at the expected level. 59% of our ākonga Māori are not working at expected levels. Of the 14 ākonga that make up the 59%, 5 were new to our school, having joined us at various times during the year and were already below our expected levels of achievement.	2021 saw two permanent staff members on parental leave. One in April and one in October, in both the year 3 / 4 and Year 2 cohorts. Bringing new staff on board, ensuring continuity and allowing time for the development of student/teacher relationships etc. had an impact. A further lockdown 2 weeks into term 3 and operating at various Alert levels meant that whānau/teacher face to face contact etc. was limited. Students who were new to our school in 2021, and appear in the end of 2021 arrived at various intervals throughout the year and across a range of year levels. All were identified as being below our expected levels of achievement. With the school wide expectations of achievement made clear, our end of Year OTJ's are more robust.	A deeper dig into our data has identified the following cohorts in need of accelerated progress in 2022. Year 6 students (6 girls- various ethnicities) Year 4 students (2 boys, 3 girls, all ākonga māori) Year 3 students (3 boys, 2 girls, 3 ākonga māori) We will continue to refine the Whole School Maths plan to ensure it is fit for purpose. 2022 will see a focus on targeted PLD in maths for the teaching team. Maths will once again feature as an achievement target in 2022.

Planning for next year:

2022 will see the purchase of Numicon to support identified students in the Year 1-3 and Year 4-6 areas of the school. We will apply for ALiM (Accelerated Learning in Maths) training to strengthen teacher practice and to target the Year 3 and 4 groups. Further maths PLD will be sought to support/improve teacher knowledge and skill. We will express an interest in being part of NZ Curriculum refresh process with a view to being part of the fast testing, review and testing groups specifically in maths.

Tātaritanga raraunga

Maths T4 2021
Admin Ethnic NZ Maori (ethnic 1only) 2021