COMBINED BOARD OF SOUTH AUCKLAND MIDDLE SCHOOL AND MIDDLE SCHOOL WEST AUCKLAND

ANNUAL REPORT

FOR THE PERIOD ENDED 18 OCTOBER 2022

School Directory

Ministry Number:	876 and 877
Principal:	Wendy Greig and Warren Cook
School Address:	198 Mahia Road, Wattle Downs, Auckland 289 Lincoln Road, Henderson, Auckland
School Phone:	09 - 266 66 95 09 - 972 17 44
School Email:	admin@south auckland.school.nz admin@westauckland.school.nz

Members of the Board of Trustees

Name	Position
Rebecca Dow	Chair Person
Wendy Greig	Principal
Warren Cook	Principal
Karen Poole	Member
Josefina Fuimaono-Sapolu	Member
Murray Burton	Member
Amabda Nanai	Member

Accountant / Service Provider:	Shore Chartered Accountants Limited

UHY HAINES NORTON (AUCKLAND) LIMITED
For identification purposes only

COMBINED BOARD OF SOUTH AUCKLAND MIDDLE SCHOOL AND MIDDLE SCHOOL WEST AUCKLAND

Annual Report - For the period ended 18 October 2022

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Combined Board of South Auckland Middle School and Middle School West Auckland

Statement of Responsibility

For the period ended 18 October 2022

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements, which are for the Combined Board of South Auckland Middle School and Middle School West Auckland (Combined Board).

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 Combined Board's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the period ended 18 October 2022 fairly reflects the financial position and operations of the Combined Board's up to 18 October 2022 which is the date when the two schools split.

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

Murray Burton MNZM

Full Name of Board Chairperson

Signature of Board Chairperson

3/3/2025

Date:

Warren Cook

Full Name of Principal

Signature of Principal

3/3/2025

Date:

Wendy Greig

Full Name of Principal

Signature of Principal

6/3/2025

Date:

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Combined Board of South Auckland Middle School and Middle School West Auckland

Statement of Comprehensive Revenue and Expense

For the period ended 18 October 2022

	Notes	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Revenue				
Government Grants	2	4,658,145	1,371,692	5,439,456
Locally Raised Funds	3	72,222	27,150	170,620
International Students	4	-	1,000	-
		4,730,367	1,399,842	5,610,076
Expenses				
Locally Raised Funds	3	61,890	-	60,730
Learning Resources	5	3,286,312	912,700	4,046,134
Administration	6	255,294	271,580	315,313
Finance		1,818	-	2,189
Property	7	1,168,307	91,500	1,104,733
Depreciation	8	101,776	-	157,189
		4,875,397	1,275,780	5,686,288
Net Surplus / (Deficit) for the year		(145,030)	124,062	(76,212)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(145,030)	124,062	(76,212)

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

UHY HAINES NORTON (AUCKLAND) LIMITED
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Combined Board of South Auckland Middle School and Middle School West Auckland

Statement of Changes in Net Assets/Equity

For the period ended 18 October 2022

	Notes	Actual 2022 $	Budget (Unaudited) 2022 $	Actual 2021 $
Balance at 1 January		603,519	603,517	679,731
Total comprehensive revenue and expense for the year		(145,030)	124,062	(76,212)
Equity at 31 December		458,489	727,579	603,519
Retained Earnings		458,489	727,579	603,519
Equity at 31 December		458,489	727,579	603,519

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.

UHY HAINES NORTON (AUCKLAND) LIMITED
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Combined Board of South Auckland Middle School and Middle School West Auckland

Statement of Financial Position

As at 18 October 2022

	Notes	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Current Assets				
Cash and Cash Equivalents	9	418,123	86,255	5,219
Accounts Receivable	10	774,142	10,050	240,018
		1,192,265	96,305	245,237
Current Liabilities				
GST Payable		34,433	2,000	1,914
Accounts Payable	12	983,967	38,000	298,113
Revenue Received in Advance	13	324,492	-	-
Finance Lease Liability - Current Portion	14	10,880	10,276	3,957
Funds held for Capital Works Projects	15	25,726	16,392	16,392
		1,379,498	66,668	320,376
Working Capital Surplus/(Deficit)		(187,233)	29,637	(75,139)
Non-current Assets				
Property, Plant and Equipment	11	648,629	699,942	699,942
		648,629	699,942	699,942
Non-current Liabilities				
Finance Lease Liability	14	2,907	2,000	21,284
		2,907	2,000	21,284
Net Assets		458,489	727,579	603,519
Equity	20	458,489	727,579	603,519

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

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Combined Board of South Auckland Middle School and Middle School West Auckland

Statement of Cash Flows

For the period ended 18 October 2022

	Note	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Cash flows from Operating Activities				
Government Grants		1,944,445	1,341,873	1,823,971
Locally Raised Funds		76,399	29,399	166,236
International Students		-	1,000	-
Goods and Services Tax (net)		32,515	84	21,648
Payments to Employees		(687,824)	(670,895)	(715,020)
Payments to Suppliers		(908,159)	(607,460)	(1,327,839)
Interest Paid		(1,818)	-	(2,189)
Net cash from/(to) Operating Activities		455,558	94,001	(33,193)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(41,543)	-	(28,555)
Net cash from/(to) Investing Activities		(41,543)	-	(28,555)
Cash flows from Financing Activities				
Finance Lease Payments		(10,445)	(12,965)	(10,445)
Funds Held for Capital Works Projects		9,334	-	16,392
Net cash from/(to) Financing Activities		(1,111)	(12,965)	5,947
Net increase/(decrease) in cash and cash equivalents		412,904	81,036	(55,801)
Cash and cash equivalents at the beginning of the year	9	5,219	5,219	61,020
Cash and cash equivalents at the end of the year	9	418,123	86,255	5,219

The statement of cash flows records only those cash flows directly within the control of the Combined Board's. 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.

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Combined Board of South Auckland Middle School and Middle School West Auckland

Notes to the Financial Statements
For the period ended 18 October 2022

1. Statement of Accounting Policies

a) Reporting Entity

On 18 October 2022 the the Minister of Education approved the separation of the Combined Board of South Auckland Middle School and Middle School West Auckland (hereafter described as "Combined Board"). The two state schools of South Auckland Middle School and Middle School West are established as described under the Education and Training Act 2020. Each of the schools are now governed by a separate Board of Trustees with the establishment board of trustees (EBOT) no longer a Combined Board. Each entity is required to report separately under the Education and Training Act 2020. The Combined Board financial statements cover the period between 1 January 2022 to 18 October 2022.

Combined Board of South Auckland Middle School and Middle School West Auckland is a Crown entity as specified in the Crown Entities Act 2004 and a Combined Board as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the Combined Board is a public benefit entity for financial reporting purposes. The Combined Board was not fully operational until 2019 and was in the establishment phase in 2018.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2022 to 18 October 2022 and in accordance with the requirements of the Public Finance Act 1989.

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 schools, 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 Combined Board 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 Combined Board qualifies for Tier 2 as the Combined Board 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.

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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.

Useful lives of property, plant and equipment
The Combined Board reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The Combined Board 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 Combined Board. 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 Combined Board reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The Combined Board 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 Combined Board receive funding from the Ministry of Education. The following are the main types of funding that the Combined Board receives.

Operational grants are recorded as revenue when the Combined Board 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 Combined Board was the rights to the funding in the salary period they relate to. The grants are not received in cash by The Combined Board 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 Combined Board uses the land and buildings. These are not received in cash by the Combined Board 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 Combined Board 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 Combined Board.

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 Combined Board operate is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The Combined Board'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.

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

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

h) Property, Plant and Equipment
Land and buildings owned by the Crown are excluded from these financial statements. The Combined 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.

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	2–5 years
Information and communication technology	1–5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease

i) Impairment of property, plant, and equipment and intangible assets
The Combined Board 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.

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j) Accounts Payable
Accounts Payable represents liabilities for goods and services provided to the Combined Board 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.

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

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

• likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and

• the present value of the estimated future cash flows.

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

m) Financial Instruments
The Combined Board'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 Combined Board'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.

n) 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 Combined Board 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.

o) Goods and Services Tax (GST)
The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

p) Budget Figures
The budget figures are extracted from the Combined Board's budget that was approved by the Board.

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

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2. Government Grants

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Operational Grants	1,125,919	1,154,692	1,328,788
Teachers' Salaries Grants	2,050,396	-	2,632,312
Use of Land and Buildings Grants	1,062,403	-	999,841
Other Government Grants	419,427	217,000	478,515
	4,658,145	1,371,692	5,439,456

3. Locally Raised Funds

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

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Revenue			
Donations	58,894	27,150	141,441
Activities	-	-	12,351
Trading	13,328	-	16,828
	72,222	27,150	170,620
Expenses			
Activities	25,545	-	27,270
Trading	31,481	-	31,829
Fundraising (Costs of Raising Funds)	4,687	-	-
Other Locally Raised Funds Expenditure	177	-	1,631
	61,890	-	60,730
Surplus/ (Deficit) for the year Locally raised funds	10,332	27,150	109,890

4. International Student Revenue and Expenses

	2022 Actual Number	2022 Budget (Unaudited) Number	2021 Actual Number
International Student Roll	0	1	0

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Revenue			
International Student Fees	-	1,000	-
Expenses			
	-	-	-
Surplus/ (Deficit) for the year International Students	-	1,000	-

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5. Learning Resources

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Curricular	328,911	214,500	421,086
Information and Communication Technology	18,788	24,780	59,623
Employee Benefits - Salaries	2,933,654	667,420	3,559,863
Staff Development	4,959	6,000	5,562
	3,286,312	912,700	4,046,134

6. Administration

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Audit Fee	12,000	-	17,558
Board of Trustees Fees	4,069	-	7,040
Communication	5,663	4,680	6,259
Consumables	30,792	34,620	50,566
Operating Lease	3,466	-	16,294
Management Fees and Other	191,304	210,000	209,596
Insurance	-	8,280	-
Service Providers, Contractors and Consultancy	8,000	14,000	8,000
	255,294	271,580	315,313

7. Property

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Consultancy and Contract Services	47,623	55,000	48,019
Vehicles	8,008	10,000	13,226
Heat, Light and Water	15,500	16,000	17,482
Repairs and Maintenance	34,773	10,500	26,165
Use of Land and Buildings	1,062,403	-	999,841
	1,168,307	91,500	1,104,733

8. Depreciation

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Buildings - School	44,165	-	60,230
Furniture and Equipment	12,457	-	14,382
Information and Communication Technology	22,577	-	51,288
Motor Vehicles	15,039	-	22,181
Leased Assets	7,538	-	9,108
	101,776	-	157,189

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9. Cash and Cash Equivalents

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Bank Current Account	418,123	86,255	5,219
Cash and cash equivalents for Statement of Cash Flows	418,123	86,255	5,219

10. Accounts Receivable

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Receivables	8,122	10,050	12,299
Teacher Salaries Grant Receivable	766,020	-	227,719
	774,142	10,050	240,018
Receivables from Exchange Transactions	8,122	10,050	12,299
Receivables from Non-Exchange Transactions	766,020	-	227,719
	774,142	10,050	240,018

11. Property, Plant and Equipment

2022	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	Total (NBV) $
Buildings	481,186	-	-	-	(44,165)	**437,021**
Furniture and Equipment	87,444	38,191	-	-	(12,457)	**113,178**
Information and Communication Technology	52,668	3,353	-	-	(22,577)	**33,444**
Motor Vehicles	60,152	-	-	-	(15,039)	**45,113**
Leased Assets	18,492	8,919	-	-	(7,538)	**19,873**
Balance at 18 October 2022	699,942	50,463	-	-	(101,776)	**648,629**

2022	Cost or Valuation $	Accumulated Depreciation $	Net Book Value $
Buildings	945,235	(508,214)	**437,021**
Furniture and Equipment	259,458	(146,280)	**113,178**
Information and Communication Technology	671,162	(637,718)	**33,444**
Motor Vehicles	145,364	(100,251)	**45,113**
Leased Assets	37,299	(17,426)	**19,873**
Balance at 18 October 2022	2,058,518	(1,409,889)	**648,629**

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2021	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	Total (NBV) $
Buildings	541,416	-	-	-	(60,230)	**481,186**
Furniture and Equipment	96,511	5,315	-	-	(14,382)	**87,444**
Information and Communication Technology	49,530	54,426	-	-	(51,288)	**52,668**
Motor Vehicles	82,333	-	-	-	(22,181)	**60,152**
Leased Assets	(781)	28,381	-	-	(9,108)	**18,492**
Balance at 31 December 2021	769,009	88,122	-	-	(157,189)	**699,942**

2021	Cost or Valuation $	Accumulated Depreciation $	Net Book Value $
Buildings	945,235	(464,049)	**481,186**
Furniture and Equipment	220,933	(133,489)	**87,444**
Information and Communication Technology	667,941	(615,273)	**52,668**
Motor Vehicles	145,364	(85,212)	**60,152**
Leased Assets	28,381	(9,889)	**18,492**
Balance at 31 December 2021	2,007,854	(1,307,912)	**699,942**

12. Accounts Payable

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Operating Creditors	177,947	18,000	17,100
Accruals	40,000	20,000	20,000
Banking Staffing Overuse	-	-	29,819
Employee Entitlements - Salaries	766,020	-	231,194
	983,967	38,000	298,113
Payables for Exchange Transactions	983,967	38,000	298,113
	983,967	38,000	298,113

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Grants in Advance - Ministry of Education	324,492	-	-
	324,492	-	-

14. Finance Lease Liability

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

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
No Later than One Year	10,880	-	3,957
Later than One Year and no Later than Five Years	2,907	-	21,284
	13,787	-	25,241

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:

2022		Opening Balances $	Receipts from MoE $	Payments $	BOT Contributions $	Closing Balances $
Fencing Stage II	*completed*	16,392	9,334	-	-	25,726
Totals		16,392	9,334	-	-	25,726

Represented by:

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

2021		Opening Balances $	Receipts from MoE $	Payments $	BOT Contributions $	Closing Balances $
Fencing Stage II	*completed*	16,392			-	16,392
Totals		16,392	-	-	-	16,392

16. Related Party Transactions

The Combined Board is a controlled entity of the Crown, and the Crown provides the major source of revenue to the Combined Board. The Combined Board 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 Combined Board 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 Combined Board 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.

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Villa Education Trust are the Service Provider for the School with Karen Poole and Rebecca Dow (resigned in January 2022) are the trustee of both the Villa Education Trust and the School/VIlla Education Trust provided monthly management services to both the schools. The total value of all transactions for the year were $98,667 for Middle School West Auckland and $104,300 for South Auckland Middle School. (2021: $108,696 Middle School West Auckland and $100,900 South Auckland Middle School). No amounts are outstanding as of balance date. (2021: $500 Middle School West Auckland and $2,000 South Auckland Middle School.)

17. Remuneration

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

	2022 Actual $	2021 Actual $
Board Members		
Remuneration	4,069	7,040
Full-time equivalent members	1.40	1.40
Leadership Team		
Remuneration	743,583	809,145
Full-time equivalent members	7.00	7.00
Total key management personnel remuneration	747,652	816,185
Total full-time equivalent personnel	8.40	8.40

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

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

Salaries and Other Short-term Employee Benefits:	2022 Actual $000	2021 Actual $000
Salary and Other Payments	120 - 130	130 - 140
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

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

Salaries and Other Short-term Employee Benefits:	2022 Actual $000	2021 Actual $000
Salary and Other Payments	120 - 130	140 - 150
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

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

Remuneration $000	2022 FTE Number	2021 FTE Number
110 - 120	1.00	1.00
100 - 110	4.00	4.00
	5.00	5.00

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

18. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at **18 October 2022** (Contingent liabilities and assets at **31 December 2021**: nil).

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

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

To the extent that any obligation cannot reasonably be quantified at 18 October 2022, a contingent liability for the Combined Board may exist.

19. Commitments

(a) Capital Commitments

As at 18 October 2022 the Board has not entered into any contract agreements for capital works.

(Capital commitments at 31 December 2021: nil)

(b) Operating Commitments

As at 18 October 2022 the Board has entered into the following contracts:

(a) operating lease of photocopiers;

	2022 Actual $	2021 Actual $
No later than One Year	4,069	7,040
	4,069	7,040

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20. Managing Capital

The Combined Board's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The Combined Board does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

21. Financial Instruments

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

Financial assets measured at amortised cost

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Cash and Cash Equivalents	418,123	86,255	5,219
Receivables	774,142	10,050	240,018
Total Financial assets measured at amortised cost	1,192,265	96,305	245,237
Financial liabilities measured at amortised cost			
Payables	983,967	38,000	298,113
Finance Leases	13,787	12,276	25,241
Total Financial Liabilities Measured at Amortised Cost	997,754	50,276	323,354

22. Events After Balance Date

On 18 October 2022, the Minister of Education approved the separation of the Combined Board of South Auckland Middle School and Middle School West Auckland. Each of the schools are now governed by a separate Board of Trustees with the Establishment Board of Trustees (EBOT) no longer a Combined Board. Each entity is required to report separately under the Education and Training Act 2020.

23. Comparatives

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

24. Failure to Comply with Section 137 of the Education and Training Act 2020

The Board of Trustees has failed to comply with section 137 of the Education and Training Act 2020 as the Board were unable to provide their audited financial statements to the Ministry Of Education by 31 May 2023.

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