

# **BROADLANDS SCHOOL**

## **ANNUAL REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

#### SCHOOL DIRECTORY

Ministry Number: 1698

Principal Graeme Taylor

School Address: 2986 Broadlands Road, RD 1, Reporoa

School Postal Address 2986 Broadlands Road, RD 1, Reporoa

School Phone: (07) 3338576

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Accountant Kusabs Lasike Limited

Members of the Board of Trustees			
Name	Position	How Position Gained	Term Expired/Expires
Ross Shaw	Presiding Member	Elected	Sep-2025
Graeme Taylor	Principal	ex officio	Sep-2025
Andrew Bell	Parent Rep	Elected	Sep-2025
Bridget Hayes	Parent Rep	Elected	Sep-2022
Candice Riddle	Parent Rep	Elected	Sep-2025
Ann Snowdon	Parent Rep	Elected	Sep-2025
Kasey Wills	Parent Rep	Elected	Sep-2025
Sophie Sandham	Staff Rep	Elected	Sep-2022
Traleenah Bentley	Staff Rep	Elected	Sep-2025

# **BROADLANDS SCHOOL**

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# ***BROADLANDS SCHOOL***

## **Statement of Responsibility**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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

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

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

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

Ross Shaw

Full name of Presiding Member

GRAEME CHARLES TAYLOR

Full name of Principal

[Signature]

Signature of Presiding Member

[Signature]

Signature of Principal

31/5/23

Date

29/05/23

Date

# **BROADLANDS SCHOOL**

## **STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE**

*FOR THE YEAR ENDED 31 DECEMBER, 2022*

	Note	Actual 2022 \$	Budget (Unaudited) 2022 \$	Actual 2021 \$
<b>Income</b>				
Government Grants	2	884,760	799,218	811,750
Locally Raised Funds	3	90,320	57,840	85,943
Interest Earned		2,324	500	1,219
		<u>977,404</u>	<u>857,558</u>	<u>898,912</u>
<b>Expenditure</b>				
Locally Raised Funds	3	53,176	22,352	43,910
Learning Resources	4	655,476	617,452	595,761
Administration	5	78,177	60,620	74,622
Property	6	193,495	160,124	158,973
Finance Costs		723	-	1,011
Loss on Disposal of Property, Plant & Equipment		17	-	2,191
		<u>981,064</u>	<u>860,548</u>	<u>876,468</u>
<b>Net Surplus/(Deficit)</b>		(3,660)	(2,990)	22,444
<b>Other Comprehensive Revenue &amp; Expenses</b>		-	-	-
<b>Total Comprehensive Revenue &amp; Expenses for the Year</b>		<u>(3,660)</u>	<u>(2,990)</u>	<u>22,444</u>

*This Statement is to be read in conjunction with the attached Notes to the Financial Statements and the Audit report which form part of these financial statements.*

# **BROADLANDS SCHOOL**

## **STATEMENT OF CHANGES IN NET ASSETS/EQUITY**

*FOR THE YEAR ENDED 31 DECEMBER 2022*

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Note	\$	\$	\$
<b>Equity at start of the year</b>	346,969	353,363	322,605
Total Comprehensive Revenue & Expense for the Year	(3,660)	(2,990)	22,444
Capital Contribution from MOE - Furniture & Equipment Grant	1,875	-	1,920
<b>Equity at end of year</b>	<b>345,184</b>	<b>350,373</b>	<b>346,969</b>
Accumulated Comprehensive Revenue & Expense	345,184	350,373	346,969
Reserves	-	-	-
<b>Equity at end of year</b>	<b>345,184</b>	<b>350,373</b>	<b>346,969</b>

*This Statement is to be read in conjunction with the attached Notes to the Financial Statements and the Audit report which form part of these financial statements.*

# BROADLANDS SCHOOL

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity		345,184	350,373	346,969
<b>TOTAL EQUITY</b>		<b>345,184</b>	<b>350,373</b>	<b>346,969</b>
<b>Represented by</b>				
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	7	43,342	24,491	59,925
Investments	8	61,949	104,836	104,836
Accounts Receivable	9	54,421	44,677	44,677
Prepayments		6,274	5,546	5,546
GST Holding Account		10,487	-	-
<b>Total Current Assets</b>		<b>176,473</b>	<b>179,550</b>	<b>214,984</b>
<b>CURRENT LIABILITIES</b>				
Accounts Payable	10	80,380	61,670	61,669
GST Holding Account		-	6,967	6,967
Finance Lease Liability	11	4,432	6,522	4,122
Revenue in Advance	12	132	-	-
Funds Held for Capital Works Projects	15	12,802	-	68,439
<b>Total Current Liabilities</b>		<b>97,746</b>	<b>75,159</b>	<b>141,197</b>
<b>WORKING CAPITAL SURPLUS</b>		<b>78,727</b>	<b>104,391</b>	<b>73,787</b>
<b>NON-CURRENT ASSETS</b>				
Property, Plant & Equipment	14	277,477	253,482	284,482
<b>Total Non-Current Assets</b>		<b>277,477</b>	<b>253,482</b>	<b>284,482</b>
<b>NON-CURRENT LIABILITIES</b>				
Finance Lease Liability	11	2,020	-	3,800
Provision for Cyclical Maintenance	13	9,000	7,500	7,500
<b>Total Non-Current Liabilities</b>		<b>11,020</b>	<b>7,500</b>	<b>11,300</b>
<b>Net Assets</b>		<b>345,184</b>	<b>350,373</b>	<b>346,969</b>

*This Statement is to be read in conjunction with the attached Notes to the Financial Statements and the Audit report which form part of these financial statements.*

# BROADLANDS SCHOOL

## Statement of Cash Flow For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		246,246	199,218	220,452
Locally Raised Funds		92,631	57,840	73,606
Goods and Services Tax (net)		(18,300)	-	4,592
Payments to Employees		(124,437)	(112,980)	(125,357)
Payments to Suppliers		(167,414)	(115,567)	(165,288)
Interest Received		2,017	500	1,289
Interest Paid		(723)	-	(1,011)
<b>Net cash from / (to) the Operating Activities</b>		<b>30,020</b>	<b>29,011</b>	<b>8,283</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Investments		44,598	-	-
Purchase of PPE (and Intangibles)		(22,913)	(1,000)	(20,979)
Purchase of Investments		(1,711)	-	(1,270)
<b>Net cash from / (to) the Investing Activities</b>		<b>19,974</b>	<b>(1,000)</b>	<b>(22,249)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		1,875	-	-
Finance Lease payments		(3,089)	(1,400)	(2,757)
Funds Administered on behalf of Third Parties		(65,363)	(62,045)	12,311
<b>Net cash from / (to) Financing Activities</b>		<b>(66,577)</b>	<b>(63,445)</b>	<b>9,554</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(16,583)</b>	<b>(35,434)</b>	<b>(4,412)</b>
Cash and cash equivalents at the beginning of the year	7	59,925	59,925	64,337
Cash and cash equivalents at the end of the year	7	<u>43,342</u>	<u>24,491</u>	<u>59,925</u>

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.

# ***BROADLANDS SCHOOL***

## **Notes to the Financial Statements For the year ended 31 December 2022**

### **1. Statement of Accounting Policies**

#### **a) Reporting Entity**

Broadlands School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view 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 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

##### ***Basis of Preparation***

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

##### ***Financial Reporting Standards Applied***

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

##### ***PBE Accounting Standards Reduced Disclosure Regime***

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the 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.



# ***BROADLANDS SCHOOL***

## **Notes to the Financial Statements For the year ended 31 December 2022**

### ***Cyclical Maintenance***

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical Maintenance is disclosed at note 13.

### ***Useful lives of property, plant and equipment***

The school reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 14.

### ***Critical Judgements in applying accounting policies***

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

### ***Classification of leases***

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in Note 11. Future operating lease commitments are disclosed in Note 20.

### ***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 but are paid directly to teachers by the Ministry of Education.

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

# ***BROADLANDS SCHOOL***

## **Notes to the Financial Statements For the year ended 31 December 2022**

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

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

### ***Other Grants where conditions exist***

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfilled 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 an asset and revenue when the right to receive the funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met, funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

### ***Interest Revenue***

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

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

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

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

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

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

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

### **g) Accounts Receivable**

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

### **h) Inventories**

Inventories are consumable items held for sale, for example stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. The 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.

# ***BROADLANDS SCHOOL***

## **Notes to the Financial Statements For the year ended 31 December 2022**

### **i) Investments**

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

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

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

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

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

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

### ***Finance Leases***

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

### ***Depreciation***

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

The estimated useful lives of the assets are:

Buildings & Improvements	40 years
Classroom Furniture	5-15 years
Information and communication technology	4-15 years
Office Furniture & Equipment	5 years
Textbooks	3 years
Other Equipment	5-10 years
Leased Assets held under a Finance Lease	4 years
Library Books	12.5% Diminishing value

# ***BROADLANDS SCHOOL***

## **Notes to the Financial Statements For the year ended 31 December 2022**

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

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 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.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on comparison to recent market transactions.

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

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

### **l) Accounts payable**

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

### **m) Employee Entitlements**

#### *Short-term employee entitlements*

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

#### *Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis. The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information; and the present value of the estimated future cash flows.

Remeasurements are recognised in surplus or deficit in the period in which they arise.

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

Revenue received in advance relates to student fees 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.

# ***BROADLANDS SCHOOL***

## **Notes to the Financial Statements For the year ended 31 December 2022**

### **o) Funds held for Capital Works**

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

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

### **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 is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

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

### **q) Financial Instruments**

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

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

### **r) Goods and Services Tax (GST)**

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

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

Commitments and contingencies are disclosed exclusive of GST.

### **s) Budget figures**

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

### **t) Services received in-kind**

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

# **BROADLANDS SCHOOL**

## **NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER, 2022

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
<b>NOTE 2 Government Grants</b>			
<b>Income</b>			
Government Grants - Ministry of Education	249,288	157,744	217,711
Teachers Salaries Grants	506,634	480,000	478,723
Use of Land & Buildings Grant	128,491	120,000	115,012
Other Government Grants	347	41,474	304
	<u>884,760</u>	<u>799,218</u>	<u>811,750</u>

### **NOTE 3 Locally Raised Funds**

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

<b>Revenue</b>			
Donations	38,815	23,610	40,997
Fundraising and Community Grants	-	-	117
Fees for Extra Curricular Activities	13,929	4,980	8,446
Trading	13,048	3,350	13,777
Other Revenue	24,528	25,900	22,607
	<u>90,320</u>	<u>57,840</u>	<u>85,944</u>
<b>Expenditure</b>			
Fundraising and Community Grants	1,176	1,000	1,766
Extra Curricular Activities, Costs	34,836	13,000	25,376
Trading	7,156	-	8,292
Other Locally Raised Funds Expenditure	10,008	8,352	8,476
	<u>53,176</u>	<u>22,352</u>	<u>43,910</u>
<b>Surplus/(deficit) for the year Locally Raised Funds</b>	<u>37,144</u>	<u>35,488</u>	<u>42,034</u>

### **NOTE 4 Learning Resources**

Curricular	17,231	18,698	20,694
Employee Benefits - Salaries	595,583	556,670	540,946
Staff Development	9,496	6,500	1,887
Depreciation	33,167	32,000	32,233
	<u>655,476</u>	<u>613,868</u>	<u>595,761</u>

# BROADLANDS SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2022 (continued)

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
<b>NOTE 5 Administration</b>			
Audit Fees	7,231	5,154	4,482
Board Fees	3,270	2,760	3,210
Board Expenses	1,703	500	807
Communication	1,246	1,200	809
Consumables	7,829	8,539	6,018
Operating Leases	87	-	(2)
Postage & Freight	-	-	35
Other	7,016	5,000	7,778
Employee Benefits - Salaries	39,418	24,910	40,277
Insurance	4,604	6,782	5,459
Service Providers, Contractors & Consultancy	5,774	5,775	5,750
	<u>78,177</u>	<u>60,620</u>	<u>74,622</u>

## NOTE 6 Property

Caretaking & Cleaning Consumables	1,597	1,000	1,664
Cyclical Maintenance Provision	1,500	200	(28,500)
Grounds	8,331	6,500	13,263
Heat, Light & Water	8,348	8,000	9,771
Rates	1,505	1,282	1,398
Tool Replacement	18,432	8,243	23,295
Vandalism	9,727	-	-
Repairs & Maintenance	28,159	8,243	23,295
Security	5,964	3,500	4,036
Use of Land & Buildings	128,491	120,000	115,012
Employee Benefits - Salaries	9,600	11,400	19,035
	<u>193,495</u>	<u>160,124</u>	<u>158,973</u>

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

# BROADLANDS SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2022 (continued)

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
<b>NOTE 7 Cash and Cash Equivalents</b>			
Cash on Hand	-	-	3,658
ASB Education Admin Account	33,745	24,491	55,959
ASB 51 Account	85	-	266
ASB 52 Account	9,269	-	0
ASB 53 Account	201	-	-
ASB Business Saver	43	-	42
<b>Cash &amp; Cash equivalents for Cashflow Statement</b>	<u>43,342</u>	<u>24,491</u>	<u>59,925</u>

Of the \$43,342 Cash & Cash Equivalents \$12,802 is held by the school on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the School's Five Year Agreement Funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

### NOTE 8 Investments

The School's investment activities are classified as follows:

Long-term bank deposits with maturities greater than  
3 months and no greater than 1 year

61,949	104,836	104,836
<u>61,949</u>	<u>104,836</u>	<u>104,836</u>

### NOTE 9 Accounts Receivable

Interest Receivable	489	182	182
Teachers Salaries Grant Receivable	45,515	40,321	40,321
Sundry Debtors	1,972	4,174	4,174
Staff Bankiung Underuse	6,445	-	-
	<u>54,421</u>	<u>44,677</u>	<u>44,677</u>
Receivables from Exchange Transactions	8,906	4,356	4,356
Receivables from Non-Exchange Transactions	45,515	40,321	40,321
	<u>54,421</u>	<u>44,677</u>	<u>44,677</u>



## **BROADLANDS SCHOOL**

### **NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER, 2022 (continued)

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
<b>NOTE 10 Accounts Payable</b>			
Accruals	5,309	4,482	4,482
Creditors	11,344	16,867	16,867
Employee Benefits - Salaries	63,727	40,321	40,320
	<u>80,380</u>	<u>61,670</u>	<u>61,669</u>
Payables from Exchange Transactions	80,380	61,670	61,669
Payables from Non-Exchange Transactions	<u>-</u>	<u>-</u>	<u>-</u>
	<u>80,380</u>	<u>61,670</u>	<u>61,669</u>

The carrying value of payables approximates their fair value.

#### **NOTE 11 Finance Lease Liability**

The school has entered into a lease agreement for a photocopier and laptops for teachers. Minimum lease payments payable:

Not later than one year	4,589	6,522	4,500
Later than 1 year but not more than 5 years	2,025	-	3,962
Less Future Finance Charges	<u>(161)</u>	<u>-</u>	<u>(540)</u>
	<u>6,452</u>	<u>6,522</u>	<u>7,923</u>
Represented by:			
Finance Lease Liability - Current	4,432	6,522	4,122
Finance Lease Liability - Non Current	<u>2,020</u>	<u>-</u>	<u>3,800</u>
	<u>6,452</u>	<u>6,522</u>	<u>7,923</u>

#### **NOTE 12 Revenue Received in Advance**

Consolidated Fees in advance	132	-	-
	<u>132</u>	<u>-</u>	<u>-</u>

#### **NOTE 13 Cyclical Maintenance Provision**

Provision/(Decrease) at Start of Year	7,500	7,500	36,000
Increase in Provision during the Year	1,500	-	(28,500)
Use of Provision during the year	<u>-</u>	<u>-</u>	<u>-</u>
Provision at the end of the Year	<u>9,000</u>	<u>7,500</u>	<u>7,500</u>
Current Liability	-	-	-
Non Current Liability	<u>9,000</u>	<u>7,500</u>	<u>7,500</u>
	<u>9,000</u>	<u>7,500</u>	<u>7,500</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This provision is based on quotes obtained from local painting contractors

# BROADLANDS SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2022 (continued)

### NOTE 14 Property, Plant & Equipment

2022	Op/Balance (NBV)	Additions	Disposals	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$
Buildings	135,622	-	-	(6,136)	129,486
Classroom Furniture	23,518	-	-	(4,743)	18,775
Info-Tech Assets	12,920	21,376	-	(6,579)	27,717
Other Equipment	96,573	1,557	-	(10,295)	87,835
Leased Assets	6,601	3,247	-	(4,260)	5,588
Library Books	9,247	-	(17)	(1,154)	8,076
Balance at 31 December	<u>284,482</u>	<u>26,180</u>	<u>(17)</u>	<u>(33,167)</u>	<u>277,477</u>

The Net carrying value of Equipment held under a finance lease is \$5,588. (2021 \$6,601)

#### Restrictions

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

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
	<b>31 Dec 2022</b>		
Buildings & Improvements	265,160	(135,674)	129,486
Classroom Furniture	107,952	(89,177)	18,775
Info-Tech Assets	156,651	(128,934)	27,717
Office Furniture & Fittings	9,139	(9,139)	-
Other Equipment	276,663	(188,828)	87,835
Leased Assets	18,891	(13,303)	5,588
Library Books	46,292	(38,216)	8,076
	<u>880,747</u>	<u>(603,271)</u>	<u>277,477</u>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
	<b>31 Dec 2021</b>		
Buildings & Improvements	265,160	(129,538)	135,622
Classroom Furniture	107,952	(84,434)	23,518
Info-Tech Assets	136,096	(123,176)	12,920
Office Furniture & Fittings	9,139	(9,139)	-
Other Equipment	275,106	(178,533)	96,573
Leased Assets	17,334	(178,533)	6,601
Library Books	46,376	(37,129)	9,247
	<u>857,163</u>	<u>(740,481)</u>	<u>284,482</u>

# BROADLANDS SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2022 (continued)

### NOTE 15 Funds Held for Capital Work Projects

During the year the school received and applied funding from the Ministry of Education for the following Capital Works Projects. The amount of cash held on behalf of the Ministry for capital works projects is included under the Cash and Cash Equivalents in Note 7.

	Opening Balance	Funds Received MOE	Payments	Board Contribution	Closing Balance
<b>2022</b>	\$	\$	\$	\$	\$
Rm 4 Upgrade Project 220120	68,439	23,456	(101,622)	9,727	-
LSPN Project 233127	-	57,435	(44,633)	-	12,802
	<u>68,439</u>	<u>80,891</u>	<u>(146,255)</u>	<u>9,727</u>	<u>12,802</u>
<b>68439</b>					
Funds held on behalf of the M.O.E.					12,802
Funds Receivable from the M.O.E.					-
					<u>12,802</u>
<b>2021</b>					
ILE Building Project 211524	(5,037)	19,614	(26,008)	11,431	-
Tree Removal Project 224463	28,791	-	(28,791)	-	-
Coverage Bag Storage Project 225902	20,943	2,327	(23,270)	-	-
Rm 4 Upgrade Project 220120	-	68,439	-	-	68,439
	<u>44,697</u>	<u>90,380</u>	<u>(78,069)</u>	<u>11,431</u>	<u>68,439</u>
<b>Represented by:</b>					
Funds held on behalf of the M.O.E.					68,439
Funds Receivable from the M.O.E.					-
					<u>68,439</u>

### NOTE 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 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.

# BROADLANDS SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2022 (continued)

### NOTE 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.

	2022 Actual	2021 Actual
	\$	\$
Board Members		
Remuneration	3,270	3,210
Leadership Team		
Remuneration	289,870	325,077
Full-time Equivalent Members	3	3
Total key management personnel remuneration	<u>293,140</u>	<u>328,287</u>

There are six members of the Board excluding the Principal. The Board had held eight full meetings of the Board in the year. The Board also has two Finance members and Property two members that meet at Board meetings for Finance and weekly for Property.

As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including standdowns, suspensions, and other disciplinary matters.

#### Principal

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

	2022 Actual	2021 Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and other payments	120-130	120-130
Benefits and other emoluments	4 - 5	3 - 4
Termination benefits	-	-

#### Other Employees

Number of other employee who received remuneration of over \$100,000 was in the following bands:

Remuneration	2022	2021
\$000	FTE Number	FTE Number
100 - 110	-	1

The disclosure for "other employees" does not include remuneration of the Principal.

### NOTE 18 Compensations and Other Benefits upon leaving

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

	2022	2021
Number of persons	Nil	Nil
Total Value	Nil	Nil

# BROADLANDS SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2022 (continued)

### NOTE 19 Contingencies

There are no Contingent Liabilities and no Contingent Assets at balance date.

(Contingent Liabilities and Contingent Assets at 31 December 2021: Nil)

### Holidays Act Compliance - schools payroll

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

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 be quantified at 31 December 2022, a contingent liability for the school may exist.

### NOTE 20 Commitments

#### (a) Capital Commitments

At balance date the Board had entered into contract agreements for Capital Works as follows:

1. \$57,435 contract for LSPN, which will be fully funded by the Ministry of Education. These funds have been received and \$44,633 has been spent to date.  
(2021 \$68,439)

#### (b) Operating Commitments

As at balance date, the Board had not entered into any operating leases.

Amounts owing on finance leases are disclosed as a liability in Note 11.

### NOTE 21 Financial Instruments

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
<b>Financial Assets measured at amortised cost</b>	\$	\$	\$
Cash and Cash Equivalents	43,342	24,491	56,267
Investments	61,949	104,836	104,836
Receivables	54,421	44,677	44,677
<b>Total Financial Assets measured at amortised cost</b>	<u>159,712</u>	<u>174,004</u>	<u>205,780</u>
<b>Financial Liabilities Measured at Amortised Cost</b>			
Payables	80,380	61,670	61,669
Finance Leases	6,452	6,522	7,923
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<u>86,832</u>	<u>68,192</u>	<u>138,031</u>

### NOTE 22 Events after Balance Date

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

### NOTE 23 Comparatives

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

## ***BROADLANDS SCHOOL***

### ***KIWISPORT REPORT***

**FOR THE YEAR ENDED 31 DECEMBER 2022**

Kiwi Sport is a Government funded initiative to support students' participation in organised sport.

In 2022, the School received \$1,197.91 through Operations Grant. There also was a re-calculated roll adjustment of (\$28.07) on 23/03/2021.

The funding was spent on the Sport BOP activities, participation in team sports and sporting equipment to increase the level of engagement in team sports.

All students benefited from the programme.

Annual Plan - Baseline Data  
From 2021 informing 2022

Cohorts	Reading	Writing	Mathematics
Whole School	<u>Schoolwide Baseline Data</u>		
Whole School	75% of students operating At or Above expectations	84% of students operating At or Above expectations	
Gender			Of the total number of female students, 16/44 (36%) are below the expected level in Mathematics.
Māori Students			64% of students enrolled as Māori are operating At or Above expectation. 36% of students enrolled as Māori are achieving below the expected level in Mathematics.
Māori Boys	75% of Māori boys operating At or Above expectations	83% of Māori boys operating At or Above expectations	Of the total number of Māori male students, 25% (3/12) are below the expected level in Mathematics.
Māori Girls	56% of Māori girls operating At or Above expectations	67% of Māori girls operating At or Above expectations	Of the total number of Māori female students, 50% (5/10) are below the expected level in Mathematics.
Year 6			Year 6 has 33% of students who are below the expected level in Mathematics.



Annual Plan - Achievement Targets & Analysis of Variance (From Term 4 2021 to Term 4 2022)			
Cohorts	Reading	Writing	Mathematics
Females			To demonstrate accelerated progress towards achieving At or Above expectation for the 16/44 (36%) female students achieving Below expectation in Mathematics.  <u>Outcome:</u> 13/51 (25%) are achieving Below or Well Below expectation in Mathematics. <i>Target Achieved.</i>
Males	To demonstrate accelerated progress towards achieving At or Above expectations for the 12/40 (30%) boys identified as currently achieving Below or Well Below expectations in Reading.  <u>Outcome:</u> 9/35 (26%) are achieving Below or Well Below expectations for Reading. <i>Target Achieved.</i>		
Māori Boys & Girls		To demonstrate accelerated progress towards achieving At or Above expectations for the 3/9 (33%) Māori girls identified as currently achieving Below or Well Below expectations in Writing.  <u>Outcome:</u> 5/9 (56%) Māori girls are achieving Below or Well Below expectations in Writing. <i>Target not achieved.</i>	To demonstrate accelerated progress towards achieving At or Above expectation for the 8/22 (36%) of Māori students achieving Below expectation in Mathematics.  <u>Outcome:</u> 11/25 (44%) Māori students are achieving Below or Well Below expectation in Mathematics. <i>Target not achieved.</i>



**Annual Plan - Achievement Targets & Analysis of Variance**  
(From Term 4 2021 to Term 4 2022)

Year 3 Cohort	<p>To demonstrate accelerated progress towards achieving At or Above expectations for the 12/21 (57%) students in Year 3 identified as currently achieving Well Below expectations in Reading</p> <p><u>Outcome:</u></p> <p>5/19 (26%) are achieving Below or Well Below expectations for Reading.</p> <p>Target Achieved</p>		
Year 6 Cohort		<p>To demonstrate accelerated progress towards achieving At or Above expectation for the 5/14 (36%) of Year 6 students achieving Below expectation in Mathematics.</p> <p><u>Outcome</u></p> <p>5/15 (33%) are achieving Below or Well Below expectation in Mathematics.</p> <p>Target Achieved.</p>	

## Independent Auditor's Report

### To the Readers of Broadlands School's Financial Statements

### For the Year Ended 31 December 2022

The Auditor-General is the auditor of Broadlands School (the School). The Auditor-General has appointed me, Richard Dey, using the staff and resources of William Buck Audit (NZ) 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 2022, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2022; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime.

Our audit was completed on 31 May 2023. This is the date at which our opinion is expressed.

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

#### Basis for our opinion

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

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

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

## **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 of Trustees is responsible for the other information. The other information comprises the information included in the annual report being the Kiwisport Report, Members of the Board of Trustees and Analysis of Variance, 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.



**Richard Dey**  
**William Buck Audit (NZ) Limited**  
On behalf of the Auditor-General  
Tauranga, New Zealand