

WESLEY INTERMEDIATE SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 1546

Principal: Rachel Ward-McCarten

School Address: 766-788 Sandringham Road, Auckland

School Postal Address: 766-778 Sandringham Road, Auckland 1041

School Phone: 09 6209367

School Email: finance@wesleyintermediate.school.nz

Accountant / Service Provider:

Canterbury Education Services Society Limited
Unit 10, 18 Moselle Ave, Auckland 0610

WESLEY INTERMEDIATE SCHOOL

Annual Report - For the year ended 31 December 2022

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Wesley Intermediate School

Members of the Board

For the year ended 31 December 2022

Name	Position	How Position Gained	Term Expired/ Expires
Vaughan Drever	Presiding Member	Elected	Jun 2025
Rachel Ward-McCarten	Principal ex Officio	Appointed	Current
Melanie Scouler	Parent Representative	Elected	Jun 2025
Taufa Nutimeki	Parent Representative	Elected	Jun 2025
Linley Myers	Limited Statutory Manager	Appointed	Current
Gaewyn Haioti	Staff Representative	Elected	Jun 2025
Geoff Matthews	Parent Representative	Elected	May 2022
Cheryl Thomas	Parent Representative	Elected	May 2022
John McGowan	Principal ex Officio	Appointed	Apr 2022

Wesley Intermediate 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 controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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

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

Naughan Drever

Full Name of Presiding Member

Rachel Ward-McCarter

Full Name of Principal

[Signature]

Signature of Presiding Member

[Signature]

Signature of Principal

14/6/23

Date:

14/6/23

Date:

Wesley Intermediate School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	2,946,878	2,926,184	2,847,854
Locally Raised Funds	3	86,334	61,130	87,197
Interest Income		8,570	3,500	4,347
Gain on Sale of Property, Plant and Equipment		-	-	652
Total Revenue		3,041,782	2,990,814	2,940,050
Expenses				
Locally Raised Funds	3	15,796	27,200	25,559
Learning Resources	4	1,169,211	1,120,248	1,250,452
Administration	5	388,517	142,801	304,782
Finance		1,649	1,500	2,342
Property	6	1,367,492	1,755,702	1,357,697
Loss on Disposal of Property, Plant and Equipment		2,071	-	10,454
		2,944,736	3,047,451	2,951,286
Net Surplus / (Deficit) for the year		97,046	(56,637)	(11,236)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		97,046	(56,637)	(11,236)

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

Wesley Intermediate School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		498,095	488,062	499,298
Total comprehensive revenue and expense for the year		97,046	(56,637)	(11,236)
Contributions from/(to) the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	10,033	10,033
Distribution - Donation to Capital Works project		(1,739)	-	-
Equity at 31 December		593,402	441,458	498,095
Accumulated comprehensive revenue and expense		593,402	441,458	498,095
Reserves		-	-	-
Equity at 31 December		593,402	441,458	498,095

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.

Wesley Intermediate School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	543,650	315,857	172,494
Accounts Receivable	8	81,744	80,339	80,339
GST Receivable		-	8,357	8,357
Prepayments		5,421	7,660	7,660
Inventories	9	15,550	19,232	19,232
Investments	10	150,000	108,443	258,443
Funds Receivable for Capital Works Projects	16	1,013	-	15,429
		<u>797,378</u>	<u>539,888</u>	<u>561,954</u>
Current Liabilities				
GST Payable		7,700	-	-
Accounts Payable	12	125,491	128,076	128,076
Revenue Received in Advance	13	-	985	985
Provision for Cyclical Maintenance	14	-	6,894	6,894
Finance Lease Liability	15	8,515	7,964	7,964
Funds held for Capital Works Projects	16	168,624	10,420	25,849
		<u>310,330</u>	<u>154,339</u>	<u>169,768</u>
Working Capital Surplus/(Deficit)		487,048	385,549	392,186
Non-current Assets				
Property, Plant and Equipment	11	158,112	102,243	152,243
		<u>158,112</u>	<u>102,243</u>	<u>152,243</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	44,389	34,545	34,545
Finance Lease Liability	15	7,380	11,789	11,789
		<u>51,769</u>	<u>46,334</u>	<u>46,334</u>
Net Assets		<u>593,402</u>	<u>441,458</u>	<u>498,095</u>
Equity		<u>593,402</u>	<u>441,458</u>	<u>498,095</u>

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

Wesley Intermediate School

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		701,409	615,346	602,300
Locally Raised Funds		85,349	72,200	86,703
Goods and Services Tax (net)		16,057	1,899	1,899
Payments to Employees		(315,376)	(331,394)	(342,685)
Payments to Suppliers		(343,457)	(359,503)	(454,611)
Interest Paid		(1,649)	(1,500)	(2,342)
Interest Received		7,233	5,349	4,669
Net cash from/(to) Operating Activities		149,566	2,397	(104,067)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(34,416)	-	(31,283)
Proceeds from Sale of Investments		108,443	258,443	179,193
Net cash from/(to) Investing Activities		74,027	258,443	147,910
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	10,033	10,033
Finance Lease Payments		(7,888)	(32,663)	(31,452)
Funds Administered on Behalf of Third Parties		155,451	(1,783)	(1,783)
Net cash from/(to) Financing Activities		147,563	(24,413)	(23,202)
Net increase/(decrease) in cash and cash equivalents		371,156	236,427	20,641
Cash and cash equivalents at the beginning of the year	7	172,494	79,430	151,853
Cash and cash equivalents at the end of the year	7	543,650	315,857	172,494

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.

Wesley Intermediate School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

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. 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 15.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

Interest Revenue

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

d) Finance Lease Payments

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

e) Cash and Cash Equivalents

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

f) Accounts Receivable

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

g) Inventories

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

h) Investments

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

i) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	40 years
Board Owned Buildings	40 years
Furniture and equipment	10 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

j) 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.

k) Employee Entitlements

Short-term employee entitlements

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

l) 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 any time.

m) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

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

n) 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 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.

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 School budget that was approved by the Board.

q) Services received in-kind

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

2. Government Grants

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Government Grants - Ministry of Education	846,175	513,941	708,455
Teachers' Salaries Grants	981,902	920,798	989,296
Use of Land and Buildings Grants	1,118,801	1,491,445	1,143,321
Other Government Grants	-	-	6,782
	<u>2,946,878</u>	<u>2,926,184</u>	<u>2,847,854</u>

The school has opted in to the donations scheme for this year. Total amount received was \$18,150.

3. Locally Raised Funds

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Revenue			
Donations & Bequests	3,084	14,000	4,576
Curriculum related Activities - Purchase of goods and services	-	-	417
Fees for Extra Curricular Activities	994	10,900	4,345
Trading	23,679	28,230	33,523
Fundraising & Community Grants	58,577	8,000	44,336
	<u>86,334</u>	<u>61,130</u>	<u>87,197</u>
Expenses			
Extra Curricular Activities Costs	500	10,900	5,643
Trading	14,890	15,100	19,040
Fundraising and Community Grant Costs	406	1,200	876
	<u>15,796</u>	<u>27,200</u>	<u>25,559</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>70,538</u>	<u>33,930</u>	<u>61,638</u>

4. Learning Resources

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Curricular	50,928	68,750	49,439
Equipment Repairs	522	3,400	2,048
Library Resources	547	700	37
Employee Benefits - Salaries	1,066,621	981,398	1,157,490
Staff Development	20,097	16,000	2,364
Depreciation	30,496	50,000	39,074
	<u>1,169,211</u>	<u>1,120,248</u>	<u>1,250,452</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	8,078	8,271	7,877
Board Fees	1,910	3,800	3,491
Board Expenses	53,476	4,900	45,497
Healthy Lunch Scheme	133,898	-	118,124
Communication	1,532	3,200	3,096
Consumables	4,813	4,700	1,595
Other	25,287	16,930	18,622
Employee Benefits - Salaries	140,596	87,000	88,239
Insurance	3,327	2,000	4,639
Service Providers, Contractors and Consultancy	15,600	12,000	13,602
	<u>388,517</u>	<u>142,801</u>	<u>304,782</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	15,241	16,000	12,430
Cyclical Maintenance Provision	2,950	20,000	(19,841)
Grounds	9,589	9,700	15,291
Heat, Light and Water	51,476	46,000	37,265
Rates	263	257	257
Repairs and Maintenance	69,495	61,300	86,903
Use of Land and Buildings	1,118,801	1,491,445	1,143,321
Security	2,550	3,000	471
Employee Benefits - Salaries	97,127	108,000	81,600
	<u>1,367,492</u>	<u>1,755,702</u>	<u>1,357,697</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.

7. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	393,650	165,857	172,494
Short-term Bank Deposits	150,000	150,000	-
Cash and cash equivalents for Statement of Cash Flows	<u>543,650</u>	<u>315,857</u>	<u>172,494</u>

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

Of the \$543,650 Cash and Cash Equivalents, \$168,624 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 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

8. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Interest Receivable	2,039	-	702
Teacher Salaries Grant Receivable	79,705	80,339	79,637
	<u>81,744</u>	<u>80,339</u>	<u>80,339</u>
Receivables from Exchange Transactions	2,039	-	702
Receivables from Non-Exchange Transactions	79,705	80,339	79,637
	<u>81,744</u>	<u>80,339</u>	<u>80,339</u>

9. Inventories

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
School Uniforms	15,550	19,232	19,232
	<u>15,550</u>	<u>19,232</u>	<u>19,232</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	150,000	108,443	258,443
Total Investments	<u>150,000</u>	<u>108,443</u>	<u>258,443</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	23,414	-	-	-	(802)	22,612
Furniture and Equipment	94,400	33,373	(1,852)	-	(15,507)	110,414
Information and Communication Technology	8,645	-	(219)	-	(4,659)	3,767
Leased Assets	18,525	4,931	-	-	(8,604)	14,852
Library Resources	7,259	1,042	(912)	-	(924)	6,467
Balance at 31 December 2022	<u>152,243</u>	<u>39,346</u>	<u>(2,983)</u>	<u>-</u>	<u>(30,496)</u>	<u>158,112</u>

The net carrying value of furniture and equipment held under a finance lease is \$14,852 (2021: \$18,525)

Restrictions

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

	2022	2022	2022	2021	2021	2021
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Building Improvements	35,469	(12,857)	22,612	35,469	(12,055)	23,414
Furniture and Equipment	342,649	(232,235)	110,414	620,206	(525,806)	94,400
Information and Communication T	85,064	(81,297)	3,767	344,255	(335,610)	8,645
Leased Assets	31,103	(16,251)	14,852	29,146	(10,621)	18,525
Library Resources	62,328	(55,861)	6,467	70,088	(62,839)	7,259
Balance at 31 December	556,613	(398,501)	158,112	1,099,164	(946,931)	152,243

12. Accounts Payable

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Creditors	14,067	13,627	13,627
Accruals	6,617	-	5,908
Banking Staffing Overuse	-	-	10,868
Employee Entitlements - Salaries	79,705	114,449	79,637
Employee Entitlements - Leave Accrual	25,102	-	18,036
	125,491	128,076	128,076
Payables for Exchange Transactions	125,491	128,076	128,076
	125,491	128,076	128,076

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Other revenue in Advance	-	985	985
	-	985	985

14. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	41,439	41,439	61,280
Increase to the Provision During the Year	2,950	20,000	159
Use of the Provision During the Year	-	(20,000)	(20,000)
Provision at the End of the Year	<u>44,389</u>	<u>41,439</u>	<u>41,439</u>
Cyclical Maintenance - Current	-	6,894	6,894
Cyclical Maintenance - Non current	44,389	34,545	34,545
	<u>44,389</u>	<u>41,439</u>	<u>41,439</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 plan is based on the schools 10 Year Property plan .

15. Finance Lease Liability

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
No Later than One Year	9,588	9,401	9,401
Later than One Year and no Later than Five Years	7,759	12,745	12,745
Future Finance Charges	(1,452)	(2,393)	(2,393)
	<u>15,895</u>	<u>19,753</u>	<u>19,753</u>
Represented by			
Finance lease liability - Current	8,515	7,964	7,964
Finance lease liability - Non current	7,380	11,789	11,789
	<u>15,895</u>	<u>19,753</u>	<u>19,753</u>

16. 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. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

	2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Drainage Work	<i>completed</i>	(1,087)	3,986	(2,899)	-	-
Block 1 & 2 Wall Heaters/Vents	<i>completed</i>	4,589	-	(4,589)	-	-
Electrical Upgrade	<i>completed</i>	1,568	-	(1,568)	-	-
Block 1 Library Flood	<i>completed</i>	(5,238)	-	5,238	-	-
Block 1 Art Room Water/Toilet	<i>completed</i>	(9,104)	7,365	-	1,739	-
Block 1 Tech Room	<i>completed</i>	2,656	-	(2,656)	-	-
Roofing Block 1	<i>completed</i>	4,915	-	(4,915)	-	-
Electric Sign	<i>in progress</i>	12,121	5,873	(17,094)	-	900
Teaching Spaces Fitout	<i>in progress</i>	-	450,000	(451,013)	-	(1,013)
Fire Alarm & Security upgrades	<i>in progress</i>	-	115,799	-	-	115,799
Bike Track	<i>in progress</i>	-	51,925	-	-	51,925
Totals		10,420	634,948	(479,496)	1,739	167,611

Represented by:

Funds Held on Behalf of the Ministry of Education	168,624
Funds Receivable from the Ministry of Education	1,013

	2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Drainage Work	<i>completed</i>	6,046	-	(7,133)	-	(1,087)
Block 1 & 2 Wall Heaters/Vents	<i>completed</i>	4,589	-	-	-	4,589
Electrical Upgrade	<i>completed</i>	1,568	-	-	-	1,568
Block 1 Library Flood	<i>completed</i>	-	41,600	46,838	-	(5,238)
Block 1 Art Room Water/Toilet	<i>in progress</i>	-	46,565	(55,669)	-	(9,104)
Block 1 Tech Room	<i>in progress</i>	-	26,558	(23,902)	-	2,656
Roofing Block 1	<i>in progress</i>	-	4,915	-	-	4,915
Electric Sign	<i>in progress</i>	-	52,856	(40,735)	-	12,121
Totals		12,203	172,494	(80,601)	-	10,420

Represented by:

Funds Held on Behalf of the Ministry of Education	25,849
Funds Receivable from the Ministry of Education	15,429

17. 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.

18. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	1,910	3,491
<i>Leadership Team</i>		
Remuneration	300,186	439,845
Full-time equivalent members	3	4
Total key management personnel remuneration	302,096	443,336

There are 5 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance (1 member) and Property (1 member) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	100-110	140-150
Benefits and Other Emoluments	0-5	0-10
Termination Benefits	-	-

Principal 2

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	40-50	0
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

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
100 - 110	1.00	1.00
	1.00	1.00

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

19. Compensation and Other Benefits Upon Leaving

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

	2022 Actual	2021 Actual
Total	4,500	-
Number of People	1	-

20. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2022, a contingent liability for the school may exist.

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides and support staff employed in 2022. The Ministry is in the process of determining the amount of the final wash up calculation for the year ended 31 December 2022 and the impact of the final calculation on the financial statements is unable to be determined at the date of reporting. The School has therefore not recognised this wash up in its financial statements. The wash up is expected to be completed in July 2023.

21. Commitments

(a) Capital Commitments

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

- (a) \$128,666 contract for Fire Alarm & Security upgrades to be completed in 2023, which will be fully funded by the Ministry of Education. \$115,799 has been received of which \$0 has been spent on the project to date; and
- (b) \$57,695 contract for Bike Track to be completed in 2023, which will be fully funded by the Ministry of Education. \$51,925 has been received of which \$0 has been spent on the project to date.

(Capital commitments at 31 December 2021: \$nil)

(b) Operating Commitments

As at 31 December 2022 the Board has entered into no contracts.

22. 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	543,650	315,857	172,494
Receivables	81,744	80,339	80,339
Investments - Term Deposits	150,000	108,443	258,443
Total Financial assets measured at amortised cost	<u>775,394</u>	<u>504,639</u>	<u>511,276</u>

Financial liabilities measured at amortised cost

Payables	125,491	128,076	128,076
Finance Leases	15,895	19,753	19,753
Total Financial Liabilities Measured at Amortised Cost	<u>141,386</u>	<u>147,829</u>	<u>147,829</u>

23. Events After Balance Date

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

During February 2023 the North Island of New Zealand was struck by several extreme weather events which resulted in widespread flooding, road closures, slips, and prolonged power and water outages for many communities in the Northland, Auckland, Coromandel, Bay of Plenty, Gisborne, and Hawkes Bay/Tairāwhiti regions.

While many schools were able to reopen soon after the extreme weather events, some schools have remained closed for a prolonged period.

The damage caused by extreme weather events in Auckland and the full financial impact has not yet been determined, but it is not expected to be significant to the school. The school continued to receive funding from the Ministry of Education, even while closed.

Statement of Variance Reporting



School Name:	Wesley Intermediate	School Number:	1564
Strategic Aim:	Accelerate student progress in regard to the New Zealand Curriculum, with a particular emphasis on Literacy using T-Shaped Literacy practices, ALiM mathematics and effective collaborative teaching practices.		
Annual Aim:	There will be an increase in the number of students who are achieving at the expected level of the New Zealand Curriculum, particularly with our target groups.		
Target:	<p>Reading (Year 7 end of early level 4, Year 8 mid level 4) 70% of all students will achieve at or above expected level.</p> <p>Writing (Year 7 end of early level 4, Year 8 mid level 4) 65% of all students will achieve at or above expected level.</p> <p>Mathematics and Statistics (Year 7 end of early level 4, Year 8 mid level 4) 65% of all students will achieve at or above expected level.</p>		
Baseline Data:	<p>Reading Year 8 Not achieving standard: 67% Achieving standard: 17% Achieving above standard: 17%</p> <p>Year 7 Not achieving standard: 65% Achieving standard: 26% Achieving above standard: 9%</p> <p>Writing Year 8</p>		

Tātaritanga raraunga

Not achieving standard: 87%
Achieving standard: 5%
Achieving above standard: 8%

Year 7

Achieving below standard 79%
Achieving at standard: 13%
Achieving above standard: 8%

Mathematics and Statistics

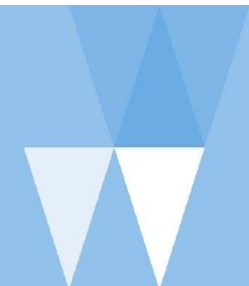
Year 8

Not achieving standard: 90%
Achieving standard: 2%
Achieving above standard: 8%

Year 7

Not achieving standard: 79%
Achieving standard: 21%
Achieving above standard: 0%

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>New Principal appointed in Term 2 2022</p> <p>New DP appointed in Term 3 2022</p> <p>PLD in Mathematics facilitated by Julia Crawford, Cognition Education. Initially funded by the school in Term 1, more hours applied for via Centrally Funded PLD in Term 2. Successful in gaining hours to be used in remainder of 2022 and into 2023. PLD included Team Teaching, Observations and Staff PLD sessions.</p> <p>PLD in Literacy facilitated by Irene Andersen, Evaluation Associates. Centrally Funded PLD hours to be used over 2022 and 2023. PLD included Team Teaching, Observations and Staff PLD sessions.</p> <p>Raised expectations of assessment and OTJ development.</p> <p>Set Literacy and Maths 'hours' for all classes.</p>	<p>Reading Year 8 Not achieving standard: 96% Achieving standard: 4% Achieving above standard: 0%</p> <p>Year 7 Not achieving standard: 85% Achieving standard: 11% Achieving above standard: 4%</p> <p>Writing Year 8 Not achieving standard: 94% Achieving standard: 6% Achieving above standard: 0%</p> <p>Year 7 Achieving below standard 91% Achieving at standard: 9% Achieving above standard: 0%</p> <p>Mathematics and Statistics Year 8 Not achieving standard: 92% Achieving standard: 2% Achieving above standard: 6%</p> <p>Year 7 Not achieving standard: 80% Achieving standard: 7% Achieving above standard: 13%</p> <p>Anecdotal Notes</p>	<p>Only approximately 30 students were tested at the start of the year compared with almost all students at the end of the year (120).</p> <p>The school year continued to be disrupted by Covid-19 and attendance rates were low, although did significantly improve as the year progressed.</p> <p>Whilst the PLD was excellent, this did not translate into the results we were hoping for.</p> <p>Teachers were not equipped well enough to make accurate OTJs so the data collected was based off single tests.</p> <p>The data shared from the beginning of the year was e-asTTLe, but for Maths and Reading at the end of the year was PAT. PATs are normed for the beginning of the year so the norms for Term 4 are for the beginning of the following year.</p> <p>Much work was needed to ensure that teachers were teaching at the appropriate level for Year 7 and 8.</p>	<p>Continue to have rigorous PLD to enhance teacher capability.</p> <p>Continue to plan collaboratively so that all teachers are planning and teaching at the right level.</p> <p>We have been accepted on to the ALiM and ALL programmes to help accelerate student achievement.</p> <p>Work with all staff to accelerate learning (ERO BES Accelerating Student Achievement)</p> <p>Arrange the school timetable so that every class has one hour of mathematics and one hour of literacy each day – leave nothing to chance.</p> <p>Focus on progress and tracking for each student.</p>



Tātaritanga raraunga

Connected with Kāhui Ako ASTs in Writing and Mathematics.

Connected with National Library and increased use of school library.

Worked to collaboratively plan with the staff so that learning is streamlined and relevant.

PLD providers described significant shifts in teacher competence and reflection on their own practice.

Planning for next year:

The Board has agreed to fund three Learning Assistants to help with progress.

The Annual plan includes targets for every student to progress at least two sub levels per calendar year, two sublevels per semester for those students involved in ALL or ALiM.

Continue to provide quality, robust PLD for all teachers.

Have a robust PGC for each teacher with coaching from SLT to support their growth.

Strengthen collaborative practice.

Use expertise in Kāhui Ako and Ako Hiko cluster to support best practice pedagogy at Wesley Intermediate.



**Te Kura
Waenga o Wēteri**
Wesley Intermediate

Dear Sir

Please be advised that we have received Kiwi Sports Funding of \$1,597.22 for the year ended 31 December 2022.

The funds were spent on the following:

1. Transport to and from Central Zone tournaments
2. Gear to support training for tournaments
3. Fees for participation in local Basketball Competition

Yours Sincerely

Rachel Ward-McCarten
Principal

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WESLEY INTERMEDIATE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Wesley Intermediate School. The Auditor-General has appointed me, Matthew Coulter, using the staff and resources of BDO Auckland, 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 3 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 Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as Tier 2.

Our audit was completed on 14 June 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 arise 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 20 to 24, 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.



Matthew Coulter
BDO Auckland
On behalf of the Auditor-General
Auckland, New Zealand