

WESLEY INTERMEDIATE SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	1564
Principal:	Nigel Davis
School Address:	766-788 Sandringham Road, Auckland
School Postal Address:	766-778 Sandringham Road, Auckland 1041
School Phone:	09 6209367
School Email:	admin@wesleyintermediate.school.nz

Members of the Board of Trustees

Name	How Position Gained	Position	Term Expires
Tillam Kapsin	Elected	Presiding Member	Sep-22
Nigel Davis	Appointed	Principal	
Simon Tafea	Elected	Staff Rep	Sep-22
Vaughan Drever	Elected	Parent Rep	Sep-22
Geoff Mathews	Elected	Parent Rep	Sep-22
Melaine Scouler	Elected	Parent Rep	Sep-22
Cheryl Thomas	Elected	Parent Rep	Sep-22

Service Provider:

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

WESLEY INTERMEDIATE SCHOOL

Annual Report - For the year ended 31 December 2021

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Wesley Intermediate School

Statement of Responsibility

For the year ended 31 December 2021

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

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

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

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

Vaughan Drever

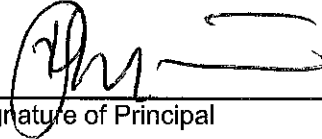
Full Name of Presiding Member

Rachel Ward-McAteer

Full Name of Principal



Signature of Presiding Member



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 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	2,847,854	3,009,474	3,119,819
Locally Raised Funds	3	87,197	97,570	87,266
Interest Income		4,347	9,000	9,323
Gain on Sale of Property, Plant and Equipment		652	-	-
		2,940,050	3,116,044	3,216,408
Expenses				
Locally Raised Funds	3	25,559	28,500	46,582
Learning Resources	4	1,329,502	1,210,197	1,222,610
Administration	5	186,658	161,270	137,874
Finance		2,342	4,500	5,474
Property	6	1,357,697	1,742,641	1,745,172
Depreciation	11	39,074	136,500	49,381
Loss on Disposal of Property, Plant and Equipment		10,454	-	1,158
		2,951,286	3,283,608	3,208,251
Net Surplus / (Deficit) for the year		(11,236)	(167,564)	8,157
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(11,236)	(167,564)	8,157

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 Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	7	172,494	79,430	151,853
Accounts Receivable	8	80,339	79,347	79,347
GST Receivable		8,357	10,256	10,256
Prepayments		7,660	8,514	8,514
Funds due for Capital Works Projects	16	15,429	-	-
Inventories	9	19,232	22,448	22,448
Investments	10	258,443	437,636	437,636
		<u>561,954</u>	<u>637,631</u>	<u>710,054</u>
Current Liabilities				
Accounts Payable	12	128,076	195,229	195,229
Revenue Received in Advance	13	985	60,665	60,665
Provision for Cyclical Maintenance	14	6,894	26,259	26,259
Finance Lease Liability	15	7,964	30,524	30,524
Funds held for Capital Works Projects	16	25,849	12,203	12,203
		<u>169,768</u>	<u>324,880</u>	<u>324,880</u>
Working Capital Surplus/(Deficit)		392,186	312,751	385,174
Non-current Assets				
Property, Plant and Equipment	11	152,243	64,597	159,738
		<u>152,243</u>	<u>64,597</u>	<u>159,738</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	34,545	35,021	35,021
Finance Lease Liability	15	11,789	10,594	10,593
		<u>46,334</u>	<u>45,615</u>	<u>45,614</u>
Net Assets		<u><u>498,095</u></u>	<u><u>331,733</u></u>	<u><u>499,298</u></u>
Equity		<u><u>498,095</u></u>	<u><u>331,733</u></u>	<u><u>499,298</u></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 Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		499,298	499,297	491,141
Total comprehensive revenue and expense for the year		(11,236)	(167,564)	8,157
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		10,033	-	-
Equity at 31 December		498,095	331,733	499,298
Retained Earnings		498,095	331,733	499,298
Equity at 31 December		498,095	331,733	499,298

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 Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		602,300	656,327	759,089
Locally Raised Funds		86,703	116,859	88,986
Goods and Services Tax (net)		1,899	(2,256)	(1,530)
Payments to Employees		(342,685)	(263,120)	(389,685)
Payments to Suppliers		(454,610)	(361,345)	(304,378)
Interest Paid		(2,342)	(4,500)	(5,474)
Interest Received		4,669	9,151	10,442
Net cash from/(to) Operating Activities		(104,066)	151,116	157,450
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(31,283)	(7,259)	(49,093)
Purchase of Investments		-	(187,636)	(148,503)
Proceeds from Sale of Investments		179,193	-	-
Net cash from/(to) Investing Activities		147,910	(194,895)	(197,596)
Cash flows from Financing Activities				
Furniture and Equipment Grant		10,033	-	
Finance Lease Payments		(31,452)	(12,847)	(1,472)
Funds Administered on Behalf of Third Parties		(1,783)	(15,797)	(21,446)
Net cash from/(to) Financing Activities		(23,202)	(28,644)	(22,918)
Net increase/(decrease) in cash and cash equivalents		20,642	(72,423)	(63,064)
Cash and cash equivalents at the beginning of the year	7	151,853	151,853	214,917
Cash and cash equivalents at the end of the year	7	172,494	79,430	151,853

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

Wesley Intermediate School

Notes to the Financial Statements

For the year ended 31 December 2021

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 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. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Finance Lease Payments

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

e) Cash and Cash Equivalents

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

f) Accounts Receivable

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

g) Inventories

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

h) Investments

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

i) Property, Plant and Equipment

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

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

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

Gains and losses on disposals (i.e. sold or given away) are determined by comparing the proceeds received with the carrying amounts (i.e. th 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 positi 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 amou recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the en 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 a Expense.

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	40 years
Furniture and equipment	10 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

j) 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 carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to s 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 availabili of information.

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

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

k) Accounts Payable

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

l) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

m) Revenue Received in Advance

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

n) Provision for Cyclical Maintenance

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

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

o) Financial Instruments

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

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

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

p) 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.

q) Budget Figures

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

u) Services received in-kind

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

2. Government Grants

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Operational Grants	432,596	423,136	495,462
Teachers' Salaries Grants	989,296	980,847	920,798
Use of Land and Buildings Grants	1,143,321	1,476,291	1,491,445
Other MoE Grants	275,859	127,000	208,862
Other Government Grants	6,782	2,200	3,252
	<u>2,847,854</u>	<u>3,009,474</u>	<u>3,119,819</u>

The school has opted in to the donations scheme for this year. Total amount received was \$24,150.

3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Revenue			
Donations & Bequests	4,576	16,000	2,849
Curriculum related Activities - Purchase of goods and services	417	1,300	-
Fees for Extra Curricular Activities	4,345	11,920	61,971
Trading	33,523	42,400	22,446
Fundraising & Community Grants	44,336	25,950	-
	<u>87,197</u>	<u>97,570</u>	<u>87,266</u>
Expenses			
Extra Curricular Activities Costs	5,643	18,500	22,811
Trading	19,040	4,800	23,771
Fundraising and Community Grant Costs	876	5,200	-
	<u>25,559</u>	<u>28,500</u>	<u>46,582</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>61,638</u>	<u>69,070</u>	<u>40,684</u>

4. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	167,563	85,950	26,938
Equipment Repairs	2,048	3,400	2,506
Information and Communication Technology	-	-	20,109
Library Resources	37	2,400	622
Employee Benefits - Salaries	1,157,490	1,114,447	1,171,825
Staff Development	2,364	4,000	610
	<u>1,329,502</u>	<u>1,210,197</u>	<u>1,222,610</u>

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	7,877	7,000	6,564
Board Fees	3,491	3,800	3,625
Board Expenses	45,497	24,000	10,027
Communication	3,096	3,100	3,203
Consumables	1,595	5,740	2,274
Other	18,622	26,130	20,968
Employee Benefits - Salaries	88,239	76,000	72,813
Insurance	4,639	1,500	4,557
Service Providers, Contractors and Consultancy	13,802	14,000	13,843
	<u>186,658</u>	<u>161,270</u>	<u>137,874</u>

6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	12,430	22,900	11,310
Consultancy and Contract Services	-	-	3,185
Cyclical Maintenance Provision	(19,841)	20,000	30,000
Grounds	15,291	9,400	7,808
Heat, Light and Water	37,265	46,000	40,600
Rates	257	250	223
Repairs and Maintenance	86,903	56,800	54,488
Use of Land and Buildings	1,143,321	1,476,291	1,491,445
Security	471	3,000	2,995
Employee Benefits - Salaries	81,600	108,000	103,118
	<u>1,357,697</u>	<u>1,742,641</u>	<u>1,745,172</u>

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

7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	172,494	79,430	151,853
Cash and cash equivalents for Statement of Cash Flows	<u>172,494</u>	<u>79,430</u>	<u>151,853</u>

8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	-	-	825
Interest Receivable	702	1,849	1,024
Teacher Salaries Grant Receivable	79,637	77,498	77,498
	<u>80,339</u>	<u>79,347</u>	<u>79,347</u>
Receivables from Exchange Transactions	702	1,849	1,849
Receivables from Non-Exchange Transactions	79,637	77,498	77,498
	<u>80,339</u>	<u>79,347</u>	<u>79,347</u>

9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	-	-	353
School Uniforms	19,232	22,448	22,095
	<u>19,232</u>	<u>22,448</u>	<u>22,448</u>

10. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	258,443	437,636	437,636
Total Investments	<u>258,443</u>	<u>437,636</u>	<u>437,636</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements	24,216	-	-	-	(802)	23,414
Furniture and Equipment	86,463	20,714	-	-	(12,776)	94,400
Information and Communication Technology	16,816	-	-	-	(8,211)	8,645
Leased Assets	24,685	19,907	(9,820)	-	(16,247)	18,525
Library Resources	7,558	739	-	-	(1,038)	7,259
Balance at 31 December 2021	<u>159,738</u>	<u>41,360</u>	<u>(9,820)</u>	<u>-</u>	<u>(39,074)</u>	<u>152,243</u>

The net carrying value of equipment held under a finance lease is \$18,525 (2020: \$24,685)

	2021	2021	2021	2020	2020	2020
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Building Improvements	35,469	(12,055)	23,414	35,469	(11,253)	24,216
Furniture and Equipment	620,206	(525,806)	94,400	599,493	(513,030)	86,463
Information and Communication Technology	344,255	(335,610)	8,645	344,254	(327,438)	16,816
Motor Vehicles	-	-	-	13,470	(13,470)	-
Leased Assets	29,146	(10,621)	18,525	67,940	(43,255)	24,685
Library Resources	70,088	(62,839)	7,259	69,350	(61,792)	7,558
Balance at 31 December	1,099,164	(946,931)	152,243	1,129,976	(970,238)	159,738

12. Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	13,627	29,251	24,337
Accruals	5,908	-	4,914
Banking Staffing Overuse	10,868	54,924	54,924
Employee Entitlements - Salaries	79,637	78,479	78,479
Employee Entitlements - Leave Accrual	18,036	32,575	32,575
	128,076	195,229	195,229
Payables for Exchange Transactions	128,076	195,229	195,229
	128,076	195,229	195,229

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	-	-	58,361
Other revenue in Advance	985	60,665	2,304
	985	60,665	60,665

14. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	61,280	61,280	37,255
Increase/ (decrease) to the Provision During the Year	159	20,000	30,000
Use of the Provision During the Year	(20,000)	(20,000)	(5,975)
Provision at the End of the Year	<u>41,439</u>	<u>61,280</u>	<u>61,280</u>
Cyclical Maintenance - Current	6,894	26,259	26,259
Cyclical Maintenance - Term	34,545	35,021	35,021
	<u>41,439</u>	<u>61,280</u>	<u>61,280</u>

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:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	9,401	30,524	33,035
Later than One Year and no Later than Five Years	12,745	10,594	11,897
Later than Five Years			
Future Finance Charges	(2,393)		(3,815)
	<u>19,753</u>	<u>41,118</u>	<u>41,117</u>
Represented by			
Finance lease liability - Current	7,964	30,524	30,524
Finance lease liability - Term	11,789	10,594	10,593
	<u>19,753</u>	<u>41,118</u>	<u>41,117</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.

	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>in progress</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		<u>12,203</u>	<u>172,494</u>	<u>(174,277)</u>	<u>-</u>	<u>10,420</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	25,849
Funds Due from the Ministry of Education	(15,429)
	<u>10,420</u>

	2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Drainage Work	<i>in progress</i>	6,046	-	-	-	6,046
Block 1 & 2 Wall Heaters/Vents	<i>in progress</i>	-	4,589	-	-	4,589
Electrical Upgrade	<i>in progress</i>	-	1,568	-	-	1,568
Roofing Project	<i>Completed</i>	27,603	-	(32,517)	(4,914)	-
Totals		<u>33,649</u>	<u>6,157</u>	<u>(32,517)</u>	<u>(4,914)</u>	<u>12,203</u>

18. 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.

Geoff Mathews is a trustee of the Board and also owns Appliance Tagging Services Limited. During the year the School contracted Appliance Tagging Services Limited to service the school for maintenance work. The total value of all transactions for the year was \$828 (2020: nil) and no amount is outstanding as at balance date (Prior Period: nil). Because this amount is less than \$25,000 (excl GST) for the year the contract does not require Ministry approval under s10 of Schedule 23 of the Education and Training Act 2020.

19. Remuneration

Key management personnel compensation

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

	2021 Actual	2020 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,491	3,625
<i>Leadership Team</i>		
Remuneration	439,845	246,361
Full-time equivalent members	4	2
Total key management personnel remuneration	<u>443,336</u>	<u>249,986</u>

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

Principal

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

	2021	2020
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	140-150
Benefits and Other Emoluments	0-10	0-10
Termination Benefits	-	-

Other Employees

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

Remuneration	2021	2020
\$000	FTE Number	FTE Number
100-110	1.00	0.00
	<u>1.00</u>	<u>0.00</u>

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

20. Compensation and Other Benefits Upon Leaving

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

	2021	2020
	Actual	Actual
Total	\$0	\$4,000
Number of People	0	1

21. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

22. Commitments

(a) Capital Commitments

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

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

23. Financial Instruments

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

Financial assets measured at amortised cost

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	172,494	79,430	151,853
Receivables	80,339	79,347	79,347
Investments - Term Deposits	258,443	437,636	437,636
Total Financial assets measured at amortised cost	<u>511,276</u>	<u>596,413</u>	<u>668,836</u>

Financial liabilities measured at amortised cost

Payables	128,076	195,229	195,229
Finance Leases	19,753	41,118	41,117
Total Financial Liabilities Measured at Amortised Cost	<u>147,829</u>	<u>236,347</u>	<u>236,346</u>

24. Events After Balance Date

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

25. Comparatives

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

26. COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Reduction in locally raised funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.

Reduction in International students

Under alert levels 4, 3, 2, and 1 International travel is heavily restricted. The school has been unable to welcome and enrol prospective international students which has resulted in a reduction in revenue from student fees & charges from International students and/or Board of Trustee operated boarding facilities.

Analysis of Variance Reporting



School Name:	Wesley Intermediate	School Number:	1564
Strategic Aim:	READING GOAL: To increase the number of students achieving at the expected curriculum level, (Level 4) for Reading		
Annual Aim:	There will be an increase in the number of students who are achieving at or above the expected curriculum level, (Level 4) in Reading.		
Target:	2020 Reading Target: To have at least 80% of all our targeted Year 8 students achieving at the expected curriculum level, (Level 4) by the end of 2020.		
Baseline Data:	<p>Data in Percentages for Year 8 (2021 Year 7)</p> <p>Not achieving standard: 67%</p> <p>Achieving standard: 17%</p> <p>Achieving above standard: 17%</p> <p>Data in Percentages for Year 7 (2021 Year 6)</p> <p>Not achieving standard: 65%</p> <p>Achieving standard: 26%</p> <p>Achieving above standard: 9%</p>		

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>The school spent much of its time in lockdown and with very poor attendance. Students were generally disengaged from their learning and programmes provided were not specifically designed for individual needs. A LSM was appointed in July and the principal resigned in September. There was a very unsettled staff and academic learning expectations were lost in the midst of it all.</p>	<p>Academic outcomes are very much below the 80% target. Boys in particular were exceedingly low.</p>	<p>See actions previously stated.</p>	<p>The LSM has employed an acting principal for term 1 and greater urgency has been placed on teaching and learning. Professional development has begun in reading, mathematics and positive behaviour management. The staff is more settled and several senior leaders have left the school. A new permanent principal has been appointed and will begin at the school in term 2. She is already working with the professional development providers to support the quality of teaching and learning.</p> <p>Immediate Action (Terms 1 & 2) As such a large group of students are not achieving standard, teachers will focus their teaching on this group while providing programmes to challenge the needs of those working at and above. Support to teachers will be available by way of (1) RTLB guidance, as a corollary to the work by RTLB in one of the classrooms. (2) National Library advisory. (3) Teacher aides (x2) to work with at and above students, thereby allowing teachers to work on students not achieving to level. (4) Identify a reading advisor to provide professional development to teachers about having well</p>

balanced reading programmes. Ensure students are surrounded by print.

Other Action (Terms 3 & 4)
Following data collection at the end of term two, determine the form of further support for teachers with their reading programmes.

Planning for next year:

Significant professional development has begun and targets are set for Reading, Writing and Mathematics as all of these curriculum areas show very low achievement.

Aspirational targets set are: **By the end of 2022:**

Reading (Year 7 end of early level 4, Year 8 mid level 4)
70% of all students will achieve at or above expected level.
Writing (Year 7 end of early level 4, Year 8 mid level 4)
65% of all students will achieve at or above expected level.
Mathematics (Year 7 end of early level 4, Year 8 mid level 4)
65% of all students will achieve at or above expected level.

Ministry of Education

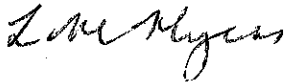
Dear Sir

Please be advised that we have received Kiwi Sports Funding of \$1,511.65 for the year ended 31 December 2021.

The funds were spent on the following:

1. Tag
2. Training for Rugby League, Rugby and Volleyball

Yours Sincerely



Linley Myers
Limited Statutory Manager

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WESLEY INTERMEDIATE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Wesley Intermediate School (the 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 2 to 18, that comprise the statement of financial position as at 31 December 2021 the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2021; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity 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 19 to 22, 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