

MATANGI SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021



Ministry Number:	1814
Principal:	Helena Kirkham
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Accountant / Service Provider:	Accounting For Schools Limited

MATANGI SCHOOL

Annual Report - For the year ended 31 December 2021

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MATANGI 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.

Karina McLuskie

Full Name of Presiding Member

Bernard Butler

Full Name of Principal

[Signature]

Signature of Presiding Member

[Signature]

Signature of Principal

22/11/22.

Date:

22/11/22

Date:

MATANGI SCHOOL

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

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	1,456,183	1,395,526	1,519,083
Locally Raised Funds	3	148,546	184,995	179,296
Interest income		1,030	1,000	2,208
		1,605,759	1,581,521	1,700,587
Expenses				
Locally Raised Funds	3	114,506	122,555	113,930
Learning Resources	4	1,118,011	978,468	1,110,737
Administration	5	117,929	112,120	121,260
Finance		1,668	600	899
Property	6	264,276	342,377	329,023
Depreciation	11	44,252	46,000	44,948
Loss on Disposal of Property, Plant and Equipment		16	-	10,329
		1,660,658	1,602,120	1,731,125
Net Surplus / (Deficit) for the year		(54,899)	(20,599)	(30,539)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		(54,899)	(20,599)	(30,539)

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

MATANGI SCHOOL

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

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Balance at 1 January		268,313	268,313	298,852
Total comprehensive revenue and expense for the year		(54,899)	(20,599)	(30,539)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		2,848	-	-
Equity at 31 December		216,262	247,714	268,313
Retained Earnings		216,262	247,714	268,313
Equity at 31 December		216,262	247,714	268,313

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.

MATANGI 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	339,223	189,416	87,436
Accounts Receivable	8	75,521	78,543	73,058
GST Receivable		11,742	2,186	3,328
Prepayments		14,424	41	7,628
Inventories	9	6,043	7,791	7,791
Investments	10	50,000	-	100,000
		496,953	277,977	279,241
Current Liabilities				
Accounts Payable	12	113,740	99,184	98,733
Revenue Received in Advance	13	-	-	408
Provision for Cyclical Maintenance	14	46,453	35,000	34,842
Finance Lease Liability	15	6,323	6,137	7,744
Funds held in Trust		1,444	-	1,444
Funds held for Capital Works Projects	16	250,624	35,000	35,094
		418,584	175,321	178,265
Working Capital Surplus/(Deficit)		78,369	102,656	100,976
Non-current Assets				
Property, Plant and Equipment	11	152,832	157,470	189,690
		152,832	157,470	189,690
Non-current Liabilities				
Provision for Cyclical Maintenance	14	3,738	7,000	7,011
Finance Lease Liability	15	11,201	5,412	15,342
		14,939	12,412	22,353
Net Assets		216,262	247,714	268,313
Equity		216,262	247,714	268,313

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

MATANGI SCHOOL

Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		363,283	324,206	353,443
Locally Raised Funds		147,492	179,242	176,506
Goods and Services Tax (net)		(8,420)	1,136	6,329
Payments to Employees		(340,589)	(251,821)	(312,191)
Payments to Suppliers		(163,622)	(223,378)	(201,998)
Interest Paid		(1,668)	(600)	(899)
Interest Received		1,105	1,250	2,554
Net cash from Operating Activities		(2,419)	30,035	23,744
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(8,610)	(14,980)	(31,069)
Purchase of Investments		-	-	(50,000)
Proceeds from Sale of Investments		50,000	100,000	-
Net cash from Investing Activities		41,390	85,020	(81,069)
Cash flows from Financing Activities				
Furniture and Equipment Grant		2,848	-	-
Finance Lease Payments		(5,562)	(11,537)	2,666
Funds Held on Behalf of Third Parties		215,530	(1,538)	36,724
Net cash from Financing Activities		212,816	(13,075)	39,390
Net increase/(decrease) in cash and cash equivalents		251,787	101,980	(17,935)
Cash and cash equivalents at the beginning of the year	7	87,436	87,436	105,371
Cash and cash equivalents at the end of the year	7	339,223	189,416	87,436

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

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

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Matangi 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 Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

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 12.

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 carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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

j) Investments

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

k) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

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	20 years
Furniture and equipment	10 years
Information and communication technology	5 years
Library resources	12.5% Diminishing value
Leased assets	Term of the Lease

I) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

m) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

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

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

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

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

n) 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.

o) Employee Entitlements

Short-term employee entitlements

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

p) Revenue Received in Advance

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

q) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and 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.

r) Provision for Cyclical Maintenance

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

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

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

s) Financial Instruments

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

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

t) 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.

u) Budget Figures

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

v) 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.

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

2. Government Grants

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	313,048	269,862	307,404
Teachers' Salaries Grants	883,703	824,495	889,899
Use of Land and Buildings Grants	184,073	246,825	250,617
Resource Teachers Learning and Behaviour Grants	400	500	-
Other MoE Grants	74,959	53,844	67,072
Other Government Grants	-	-	4,091
	1,456,183	1,395,526	1,519,083

3. Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	21,191	24,500	20,023
Fees for Extra Curricular Activities	28,835	39,595	33,027
Fundraising & Community Grants	11,946	16,000	20,472
Other Revenue	2,410	9,000	12,099
Out of School Care	66,486	75,000	72,515
Trading	17,678	20,900	21,160
	148,546	184,995	179,296
Expenses			
Extra Curricular Activities Costs	28,505	33,625	25,271
Fundraising & Community Grant Costs	4,989	5,800	5,061
Out of School Care	61,058	61,900	65,819
Trading	19,954	21,230	17,779
	114,506	122,555	113,930
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	34,040	62,440	65,366

4. Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	20,603	27,173	20,869
Information and Communication Technology	4,728	10,500	10,225
Library Resources	1,149	1,700	3,700
Employee Benefits - Salaries	1,082,949	923,595	1,065,355
Staff Development	8,582	15,500	10,588
	1,118,011	978,468	1,110,737

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

5. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,578	4,300	4,425
Board of Trustees Fees	4,275	4,900	3,654
Board of Trustees Expenses	3,835	1,500	6,221
Communication	2,927	3,000	2,456
Consumables	2,597	2,500	8,672
Operating Lease	2,750	3,035	1,216
Other	14,158	13,185	12,609
Employee Benefits - Salaries	80,942	75,000	77,353
Insurance	-	1,900	1,854
Service Providers, Contractors and Consultancy	2,867	2,800	2,800
	<u>117,929</u>	<u>112,120</u>	<u>121,260</u>

6. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	3,073	1,990	3,187
Consultancy and Contract Services	21,227	20,000	21,284
Cyclical Maintenance Provision	10,362	18,000	3,591
Grounds	13,106	13,550	9,349
Heat, Light and Water	10,495	11,400	11,260
Rates	2,886	3,612	2,696
Repairs and Maintenance	852	14,000	11,500
Use of Land and Buildings	184,073	246,825	250,617
Employee Benefits - Salaries	18,202	13,000	15,539
	<u>264,276</u>	<u>342,377</u>	<u>329,023</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Change 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 yearend reporting purposes.

7. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	114,415	-	27,081
Bank Call Account	224,808	189,416	60,355
Cash and cash equivalents for Cash Flow Statement	<u>339,223</u>	<u>189,416</u>	<u>87,436</u>

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

Of the \$339,223 Cash and Cash Equivalents, \$250,624 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	3,844	8,543	3,198
Interest Receivable	175	-	250
Teacher Salaries Grant Receivable	71,502	70,000	69,610
	<u>75,521</u>	<u>78,543</u>	<u>73,058</u>
Receivables from Exchange Transactions	4,019	8,543	3,448
Receivables from Non-Exchange Transactions	71,502	70,000	69,610
	<u>75,521</u>	<u>78,543</u>	<u>73,058</u>

9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	645	931	931
School Uniforms	5,398	6,860	6,860
	<u>6,043</u>	<u>7,791</u>	<u>7,791</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	50,000	-	100,000
Total Investments	<u>50,000</u>	<u>-</u>	<u>100,000</u>

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements	21,167	-	-	-	(7,488)	13,679
Admin Furniture and Equipment	38,283	2,490	(389)	-	(7,243)	33,141
Classroom Furniture & Equipment	82,215	-	-	-	(14,163)	68,052
Information and Communication Tech	23,309	3,960	(59)	-	(8,447)	18,763
Leased Assets	14,484	1,392	-	-	(5,632)	10,244
Library Resources	10,232	-	-	-	(1,279)	8,953
Balance at 31 December 2021	189,690	7,842	(448)	-	(44,252)	152,832

The net carrying value of equipment held under a finance lease is \$10,244 (2020: \$14,484).

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	74,877	(61,198)	13,679	74,877	(53,710)	21,167
Admin Furniture and Equipment	112,811	(79,670)	33,141	110,753	(72,470)	38,283
Classroom Furniture & Equipment	169,275	(101,223)	68,052	169,275	(87,060)	82,215
Information and Communication Tech	63,951	(45,188)	18,763	63,478	(40,169)	23,309
Leased Assets	20,490	(10,246)	10,244	19,098	(4,614)	14,484
Library Resources	56,167	(47,214)	8,953	56,167	(45,935)	10,232
Balance at 31 December	497,571	(344,739)	152,832	493,648	(303,958)	189,690

12. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	31,907	20,000	19,820
Accruals	3,300	9,184	4,382
Pool Keys	-	-	1,200
Employee Entitlements - Salaries	71,502	70,000	69,610
Employee Entitlements - Leave Accrual	7,031	-	3,721
	113,740	99,184	98,733
Payables for Exchange Transactions	113,740	99,184	98,733
	113,740	99,184	98,733

The carrying value of payables approximates their fair value.

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

13. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Other	-	-	408
	-	-	408

14. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	41,853	41,853	42,599
Increase/ (decrease) to the Provision During the Year	10,362	18,000	3,591
Use of the Provision During the Year	(2,024)	(17,853)	(4,337)
Provision at the End of the Year	50,191	42,000	41,853
Cyclical Maintenance - Current	46,453	35,000	34,842
Cyclical Maintenance - Term	3,738	7,000	7,011
	50,191	42,000	41,853

15. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	7,400	6,137	7,744
Later than One Year and no Later than Five Years	12,321	5,412	15,342
Future Finance Charges	(2,197)		
	17,524	11,549	23,086
Represented by			
Finance lease liability - Current	6,323	6,137	7,744
Finance lease liability - Term	11,201	5,412	15,342
	17,524	11,549	23,086

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

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 \$	BOT Contributions	Closing Balances \$
AMS Project	<i>in progress</i>	28,896	400,000	(170,318)	-	258,578
Special Needs Fencing	<i>completed</i>	8,288	-	(8,288)	-	-
Development Plan	<i>in progress</i>	(2,090)	-	-	-	(2,090)
Totara Build	<i>in progress</i>	-	-	(5,864)	-	(5,864)
Totals		35,094	400,000	(184,470)	-	250,624

Represented by:

Funds Held on Behalf of the Ministry of Education	258,578
Funds Due from the Ministry of Education	(7,954)
	250,624

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
AMS Project	<i>in progress</i>	-	43,840	(14,944)	-	28,896
Special Needs Fencing	<i>in progress</i>	460	7,828	-	-	8,288
Development Plan	<i>in progress</i>	(2,090)	-	-	-	(2,090)
Totals		(1,630)	51,668	(14,944)	-	35,094

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.

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

18. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	3,610	3,165
<i>Leadership Team</i>		
Remuneration	215,966	225,793
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	219,576	228,958

There are 6 members of the Board excluding the Principal. The Board had held 11 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	90 - 100	120 - 130
Benefits and Other Emoluments	0 - 1	1 - 2
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
110 - 120	1.00	-
	1.00	-

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

19. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

20. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into the following contract agreements for capital works:

- (i) a contract for the AMS project. \$443,840 has been received and \$185,262 has been spent on the project at balance date.
- (ii) a contract to build Totara Classroom. \$5,864 has been spent on the project at balance date.

(As at 31 December 2020 the Board has entered into the following contract agreements for capital works:

- (i) a contract for design fees for the AMS project with a value of \$50,760. \$43,840 has been received and \$14,944 has been spent on the project at balance date.)

(b) Operating Commitments

As at 31 December 2021 the Board has not entered into any operating contracts:

(Operating commitments at 31 December 2020: \$Nil)

21. Financial Instruments

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

Financial assets measured at amortised cost

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	339,223	189,416	87,436
Receivables	75,521	78,543	73,058
Investments - Term Deposits	50,000	-	100,000
Total Financial assets measured at amortised cost	464,744	267,959	260,494

Financial liabilities measured at amortised cost

Payables	113,740	99,184	98,733
Finance Leases	17,524	11,549	23,086
Total Financial Liabilities Measured at Amortised Cost	131,264	110,733	121,819

22. Events After Balance Date

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

MATANGI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

23. 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 June 2021, the Wellington region was placed into alert level 2 for one week.

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.

MATANGI SCHOOL

Members of the Board

For the year ended 31 December 2021

Name	Position	How position on Board gained	Occupation	Term expired/expires
Brad Ward	Presiding Member	Elected May 2019	Community Facilities Team Leader	May 2022
Sharyn Douglas	Principal	Appointed	Principal	Resigned July 2021
Joe Lane	Parent Rep	Elected May 2016, re-elected May 2019	Associate Professor	May 2022
Anna Tootill	Parent Rep	Elected May 2019	Barrister & Solicitor	May 2022
Casey Molloy	Parent Rep	Elected May 2019	National Sales Manager	May 2022
Andrew Mowbray	Parent Rep	Elected May 2019	IT Consultant	May 2022
Helena Kirkham	Principal	Appointed July 2021		May 2022

MATANGI SCHOOL

Kiwisport Statement

For the year ended 31 December 2021

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

Our school received \$2,653 as part of the 2021 operational grant (2020: \$2,750) through this initiative to increase our student participation in organised sport.