

WILLOW PARK SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



**Willow
Park
School**

Ministry Number:	1573
Principal:	Duncan Millward
School Address:	Compton Street, Hillcrest, Auckland 0627
School Postal Address:	Compton Street, Hillcrest, Auckland 0627
School Phone:	(09) 480-9236
School Email:	office@willowpark.school.nz
Accountant / Service Provider:	Accounting For Schools Limited

WILLOW PARK SCHOOL

Annual Report - For the year ended 31 December 2022

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WILLOW PARK SCHOOL
Statement of Responsibility
For the year ended 31 December 2022

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

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

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


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

CHERYL FRANCIS
Full Name of Presiding Member


Signature of Presiding Member

19/7/2023
Date:

DUNCAN MILLWARD
Full Name of Principal


Signature of Principal

19/7/2023
Date:

WILLOW PARK SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	5,630,952	5,583,003	5,409,624
Locally Raised Funds	3	344,967	356,526	243,648
Interest income		5,162	2,000	2,099
		<u>5,981,081</u>	<u>5,941,529</u>	<u>5,655,371</u>
Expenses				
Locally Raised Funds	3	117,162	122,000	88,901
Learning Resources	4	4,470,904	4,270,883	4,251,715
Administration	5	356,530	302,235	281,010
Finance		2,307	4,400	3,224
Property	6	1,321,897	1,241,881	1,227,786
Loss on Disposal of Property, Plant and Equipment	11	3,027	-	1,169
		<u>6,271,827</u>	<u>5,941,399</u>	<u>5,833,805</u>
Net Surplus / (Deficit) for the year		(290,746)	130	(178,434)
Total Comprehensive Revenue and Expense for the Year		<u>(290,746)</u>	<u>130</u>	<u>(178,434)</u>

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

WILLOW PARK SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2022

Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Balance at 1 January	<u>875,542</u>	<u>875,542</u>	<u>1,038,658</u>
Total comprehensive revenue and expense for the year	(290,746)	130	(178,434)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	15,318
Equity at 31 December	<u>584,796</u>	<u>875,672</u>	<u>875,542</u>
Accumulated comprehensive revenue and expense	584,796	875,672	875,542
Equity at 31 December	<u>584,796</u>	<u>875,672</u>	<u>875,542</u>

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.

WILLOW PARK SCHOOL
Statement of Financial Position
As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	596,517	692,672	434,314
Accounts Receivable	8	301,386	290,000	156,402
GST Receivable		21,563	20,000	34,638
Prepayments		29,073	25,000	16,652
Inventories	9	3,826	3,000	2,784
Investments	10	-	-	100,000
Funds held for Capital Works Projects	16	9,735	-	14,070
		<u>962,100</u>	<u>1,030,672</u>	<u>758,860</u>
Current Liabilities				
Accounts Payable	12	362,357	320,000	281,168
Revenue Received in Advance	13	57,666	60,000	9,807
Provision for Cyclical Maintenance	14	77,884	5,000	14,667
Finance Lease Liability	15	43,455	45,000	45,883
Funds held for Capital Works Projects	16	283,936	250,000	56,982
		<u>825,298</u>	<u>680,000</u>	<u>408,507</u>
Working Capital Surplus/(Deficit)		136,802	350,672	350,353
Non-current Assets				
Property, Plant and Equipment	11	<u>572,768</u>	<u>700,000</u>	<u>721,530</u>
		572,768	700,000	721,530
Non-current Liabilities				
Provision for Cyclical Maintenance	14	96,438	145,000	135,656
Finance Lease Liability	15	28,336	30,000	60,685
		<u>124,774</u>	<u>175,000</u>	<u>196,341</u>
Net Assets		<u>584,796</u>	<u>875,672</u>	<u>875,542</u>
Equity		<u>584,796</u>	<u>875,672</u>	<u>875,542</u>

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

WILLOW PARK SCHOOL
Statement of Cash Flows
For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		1,217,987	1,117,073	1,173,387
Locally Raised Funds		356,089	349,533	253,984
International Students		8,452	31,500	9,130
Goods and Services Tax (net)		13,077	14,638	(15,059)
Payments to Employees		(976,238)	(692,268)	(697,921)
Payments to Suppliers		(728,926)	(692,702)	(517,660)
Interest Paid		(2,307)	(4,400)	(3,224)
Interest Received		5,162	2,000	2,099
Net cash from Operating Activities		<u>(106,704)</u>	<u>125,374</u>	<u>204,736</u>
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	-	(1,169)
Purchase of PPE (and Intangibles)		(37,340)	(178,469)	(87,651)
Purchase of Investments		100,000	100,000	275,000
Net cash from Investing Activities		<u>62,660</u>	<u>(78,469)</u>	<u>186,180</u>
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	15,318
Finance Lease Payments		(34,777)	(31,568)	(44,984)
Funds Administered on Behalf of Third Parties		241,024	243,018	39,965
Net cash from Financing Activities		<u>206,247</u>	<u>211,450</u>	<u>10,299</u>
Net increase/(decrease) in cash and cash equivalents		<u><u>162,203</u></u>	<u><u>258,355</u></u>	<u><u>401,215</u></u>
Cash and cash equivalents at the beginning of the year	7	434,314	434,314	33,099
Cash and cash equivalents at the end of the year	7	<u><u>596,517</u></u>	<u><u>692,669</u></u>	<u><u>434,314</u></u>

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

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

WILLOW PARK SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Willow Park 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 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

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.

WILLOW PARK SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

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.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 20b.

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.

WILLOW PARK SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as revenue in the period the school uses the land and building.

WILLOW PARK SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

Inventories are consumable items held for sale 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.

i) Investments

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

WILLOW PARK SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

j) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$1,000 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.

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Buildings	10–20 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

WILLOW PARK SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

k) 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. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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

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

WILLOW PARK SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

Employee 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.

n) Revenue Received in Advance

Revenue received in advance relates to fees received from students 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.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

o) Funds held for Capital works

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

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

p) Provision for Cyclical Maintenance

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

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

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

WILLOW PARK SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

q) 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 initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

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

r) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

s) 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.

t) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

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.

WILLOW PARK SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2022

2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants – Ministry of Education	1,204,356	1,138,003	1,093,103
Teachers' Salaries Grants	3,441,224	3,450,000	3,334,230
Use of Land and Buildings Grants	971,741	980,000	902,007
Other Government Grants	13,631	15,000	80,284
	<u>5,630,952</u>	<u>5,583,003</u>	<u>5,409,624</u>

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	113,773	127,600	88,635
Fees for Extra Curricular Activities	121,516	148,026	106,360
International Students Income	8,452	31,500	9,130
Trading	6,500	3,600	4,638
Fundraising & Community Grants	90,965	43,000	31,874
Other Revenue	3,761	2,800	3,011
	<u>344,967</u>	<u>356,526</u>	<u>243,648</u>
Expenses			
Extra Curricular Activities Costs	87,789	96,700	66,261
International Students Costs	1,409	2,000	1,370
Trading	4,656	3,300	2,741
Fundraising and Community Grant Costs	23,308	20,000	18,529
	<u>117,162</u>	<u>122,000</u>	<u>88,901</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>227,805</u>	<u>234,526</u>	<u>154,747</u>

During the year the School hosted 2 International students (2021:2)

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	76,492	98,744	96,984
Depreciation	195,111	200,000	203,837
Equipment Repairs	708	1,500	3,816
Information and Communication Technology	47,865	45,640	47,029
Library Resources	5,716	5,300	4,233
Employee Benefits - Salaries	4,068,014	3,859,399	3,839,134
Staff Development	76,998	60,300	56,682
	<u>4,470,904</u>	<u>4,270,883</u>	<u>4,251,715</u>

WILLOW PARK SCHOOL

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

5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Audit Fee	7,237	8,036	6,988
Board Fees	3,130	4,600	5,040
Board Expenses	32,387	30,628	22,900
Communication	3,372	5,000	4,061
Consumables	30,862	23,400	25,166
Employee Benefits - Salaries	229,550	180,752	150,411
Other	31,100	29,300	25,085
Insurance	8,288	9,548	9,749
Service Providers, Contractors and Consultancy	10,604	10,971	11,603
	<u>356,530</u>	<u>302,235</u>	<u>261,003</u>

6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Caretaking and Cleaning Consumables	14,838	19,700	11,703
Consultancy and Contract Services	115,438	98,111	97,811
Cyclical Maintenance Provision	34,372	15,000	87,348
Employee Benefits - Salaries	61,193	47,820	47,855
Grounds	8,141	8,500	4,655
Heat, Light and Water	72,039	46,000	44,432
Rates	61	250	222
Repairs and Maintenance	37,332	22,000	26,957
Use of Land and Buildings	971,741	980,000	902,007
Security	6,742	4,500	4,796
	<u>1,321,897</u>	<u>1,241,881</u>	<u>1,227,786</u>

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

7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Cash on Hand	-	220	220
Bank Accounts	596,517	692,449	434,094
Cash and cash equivalents for Cash Flow Statement	<u>596,517</u>	<u>692,669</u>	<u>434,314</u>

Of the \$596,517 Cash and Cash Equivalents, \$283,936 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2023 on Crown owned school buildings under the School's Five Year Property Plan.

WILLOW PARK SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2022

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	12,601	30,000	3,816
Receivables from the Ministry of Education	26,028	-	-
Interest Receivable	-	-	501
Teacher Salaries Grant Receivable	262,757	260,000	152,085
	<u>301,386</u>	<u>290,000</u>	<u>156,402</u>
Receivables from Exchange Transactions	12,601	30,000	4,317
Receivables from Non-Exchange Transactions	288,785	260,000	152,085
	<u>301,386</u>	<u>290,000</u>	<u>156,402</u>

9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	3,826	3,000	2,748
	<u>3,826</u>	<u>3,000</u>	<u>2,748</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2022 Actual \$
Current Asset	-	-	-
Short-term Bank Deposits	-	-	100,000
Total Investments	<u>-</u>	<u>-</u>	<u>100,000</u>

WILLOW PARK SCHOOL

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

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Buildings	101,534	-	-	-	(14,335)	87,199
Furniture and Equipment	384,923	25,462	-	-	(82,756)	327,629
Information Technology	113,720	4,326	(1,315)	-	(31,352)	85,379
Leased Assets	103,406	12,037	(1,713)	-	(55,774)	57,956
Library Resources	17,947	7,552	-	-	(10,894)	14,605
Balance at 31 December 2022	721,530	49,377	(3,028)	-	(195,111)	572,768

The net carrying value of equipment held under a finance lease is \$57,956 (2021: \$103,406).

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

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Buildings	320,858	(233,659)	87,199	320,858	(219,324)	101,534
Furniture and Equipment	1,185,725	(858,096)	327,629	1,168,234	(783,311)	384,923
Information Technology	283,750	(198,371)	85,379	318,659	(204,939)	113,720
Leased Assets	210,629	(152,673)	57,956	266,152	(162,746)	103,406
Library Resources	106,438	(91,833)	14,605	98,886	(80,939)	17,947
Balance at 31 December	2,107,400	(1,534,632)	572,768	2,172,789	(1,451,259)	721,530

12. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	45,157	50,000	64,798
Accruals	5,197	5,000	4,988
Employee Entitlements - Salaries	307,471	260,000	204,524
Employee Entitlements - Leave Accrual	4,532	5,000	6,858
	362,357	320,000	281,168
Payables for Exchange Transactions	362,357	320,000	281,168
	362,357	320,000	281,168

The carrying value of payables approximates their fair value.

WILLOW PARK SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2022

13. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
International Student Fees	21,521	25,000	9,391
Other Revenue Received in Advance	36,145	35,000	416
	57,666	60,000	9,807

14. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	150,323	150,323	68,701
Increase/ (decrease) to the Provision During the Year	34,372	15,000	87,348
Use of the Provision During the Year	(10,373)	(15,323)	(5,726)
Provision at the End of the Year	174,322	150,000	150,323
Cyclical Maintenance - Current	77,884	5,000	14,667
Cyclical Maintenance - Non Current	96,438	145,000	135,656
	174,322	150,000	150,323

The school's cyclical maintenance schedule details annual painting to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the MOE approved property expert's knowledge of the school, and has been prepared and reviewed in the last 3 years.

15. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	44,874	46,500	47,967
Later than One Year and no Later than Five Years	28,965	30,700	61,531
Future Finance Charges	(2,048)	(2,200)	(2,930)
	71,791	75,000	106,568
Represented by			
Finance lease liability - Current	43,455	45,000	45,883
Finance lease liability - Non Current	28,336	30,000	60,685
	71,791	75,000	106,568

WILLOW PARK SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2022

16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

		Opening	Receipts		BOT	Closing
		Balances	from MoE	Payments	Contributions	Balances
		\$	\$	\$	/ Write Off	\$
2022						
ILE/Toilet Project	No 213673	2,947	-	-	(2,947)	-
Pinboard Project		-	-	(384)	-	(384)
Boiler/lighting Project	No 235354	-	56,369	(60,393)	-	(4,024)
Carpet Project	No 235363	-	20,000	(20,083)	83	-
ILE Project		-	-	(384)	-	(384)
Master keying Project	No 235361	-	11,402	(2,510)	-	8,892
Window Project		-	-	(4,943)	-	(4,943)
Roof Project	No 235359	-	112,245	(51,179)	-	61,066
SIP Playground	No 229149	4,035	250,000	(75,135)	-	178,900
Lunchroom Upgrade	No 216315	(14,070)	14,920	(850)	-	-
Principal Support Project	No 216315	50,000	-	(14,922)	-	35,078
Totals		42,912	464,936	(230,783)	(2,864)	274,201

Represented by:

Funds Held on Behalf of the Ministry of Education	283,936
Funds Due from the Ministry of Education	(9,735)
	<u>274,201</u>

		Opening	Receipts		BOT	Closing
		Balances	from MoE	Payments	Contributions	Balances
		\$	\$	\$	\$	\$
2021						
ILE/Toilet Project	No 213673	2,947	-	-	-	2,947
SIP Autex	No 29080	-	38,882	(38,882)	-	-
SIP Signage	No 229150	-	29,011	(29,011)	-	-
SIP Playground	No 229149	-	32,730	(28,695)	-	4,035
Lunchroom Upgrade	No 216315	-	43,478	(57,548)	-	(14,070)
Principal Support Project	No 216315	-	50,000	-	-	50,000
Totals		2,947	194,101	(154,136)	-	42,912

Represented by:

Funds Held on Behalf of the Ministry of Education	56,982
Funds Due from the Ministry of Education	(14,070)
	<u>42,912</u>

WILLOW PARK SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2022

17. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

18. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal and Deputy Principals.

	2022	2021
	Actual	Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,130	5,040
<i>Leadership Team</i>		
Remuneration	492,857	449,226
Full-time equivalent members	4.00	4
Total key management personnel remuneration	<u>495,987</u>	<u>454,266</u>

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance (1 member) and Property (2 members) that meet monthly and quarterly respectively. 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:

	2022	2021
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments - No 1 Principal	150 - 160	150-160
Benefits and Other Emoluments	4 - 5	4 - 5

Other Employees

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

	2022	2021
	FTE	FTE
	\$000	
100 - 110	2	1
110 - 120	3	2
	<u>5</u>	<u>3</u>

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

WILLOW PARK SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

19. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

20. Commitments

(a) Capital Commitments

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

(a) Contract to redesign and rebuild playgrounds at a total cost of \$363,969 as agent for the Ministry of Education. This project is fully funded by the Ministry and \$282,730 has been received of which \$103,830 has been spent on the project to balance date. This project has been approved by the Ministry.

(b) Contract for the ILE project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$nil has been received of which \$384 has been spent on the project to balance date. The project has been approved by the Ministry.

(c) Contract for the Boiler/Lighting project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$56,368 has been received of which \$60,392 has been spent on the project to balance date. The project has been approved by the Ministry.

(d) Contract for the Master Keying project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$11,401 has been received of which \$2,509 has been spent on the project to balance date. The project has been approved by the Ministry.

(e) Contract for the Pinboard project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$nil has been received of which \$384 has been spent on the project to balance date. The project has been approved by the Ministry.

(f) Contract for the Window project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$nil has been received of which \$4,943 has been spent on the project to balance date. The project has been approved by the Ministry.

(g) Contract for the principal support project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$50,000 has been received and none been spent on the project to balance date. The project has been approved by the Ministry.

(b) Operating Commitments

At at 31 December 2022 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2021: nil)

WILLOW PARK SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2022

21. Financial Instruments

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	596,517	692,669	434,314
Receivables	301,386	290,000	156,402
Investments - Term Deposits	-	-	100,000
Total Financial assets measured at amortised cost	<u>897,903</u>	<u>982,669</u>	<u>690,716</u>
Financial liabilities measured at amortised cost			
Payables	362,357	320,000	281,168
Finance Leases	71,791	75,000	106,568
Total Financial Liabilities Measured at Amortised Cost	<u>434,148</u>	<u>395,000</u>	<u>387,736</u>

22. Events After Balance Date

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

23. Comparatives

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

WILLOW PARK PRIMARY SCHOOL

Members of the Board

For the year ended 31 December 2022

Name	Position	How position on Board gained	Term expires
Cheryl Francis	Presiding Member	Re-elected Sept 2022	Sept 2025
Duncan Millward	Principal	Appointed	
Gina Cook	Treasurer	Re-elected Sept 2022	Sept 2025
Matthew Fyfe	Parent Rep	Re-elected Sept 2022	Sept 2025
Syliva Liu	Parent Rep	Re-elected Sept 2022	Sept 2025
Jeremy Boyce	Parent Rep	Elected Sept 2022	Sept 2025
Carrie Richmond-Joyner	Staff Trustee	Elected Sept 2022	Sept 2025

WILLOW PARK PRIMARY SCHOOL

Kiwisport / Statement of Compliance with Employment Policy For the year ended 31 December 2022

Kiwisport is a Government funding initiative to support students participation in organised sport.

In 2022 the School received total Kiwisport funding of \$9,269 (2021: \$10,147).

The funding was spent on bringing in specialist coaches from North Harbour Sport to demonstrate the teaching of sport, to raise the participation levels of students. The sports ranged from rugby league, cricket and T-ball. Most students in our school roll participated in one of these programmes. Money was also spent on resourcing equipment to ensure students had access to sports options during school time.

Statement of Compliance with Employment Policy

For the year ended 31 December 2022 the Willow Park School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspect of their employment
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contract of all staff employed by the Board.
- Ensures all employees and applicants for employments are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.

Independent Auditor's Report

To the Readers of Willow Park School's Financial Statements

For the Year Ended 31 December 2022

The Auditor-General is the auditor of Willow Park School (the School). The Auditor-General has appointed me, Bonita Swanepoel, using the staff and resources of William Buck Audit (NZ) Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 22, that comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 20 July 2023. This is the date at which our opinion is expressed.

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

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report. We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included in the annual report being the Kiwisport Report, Statement of Compliance with Employment Policy, Members of the Board of Trustees and Analyses of Variance, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Bonita Swanepoel
William Buck Audit (NZ) Limited
On behalf of the Auditor-General
Auckland, New Zealand