

SWANSON SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	1521
Principal:	Leandro Piantelli
School Address:	703 Swanson Road, Swanson, Auckland 0612
School Postal Address:	PO Box 95177, Swanson, Auckland 0612
School Phone:	09 831 0001
School Email:	office@swanson.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expire
Marsh Callum	Chairperson	Elected	Sep-22
Gaitau Meagan	Parent Rep	Elected	Sep-22
Maharajan Raj	Parent Rep	Elected	Sep-22
Piantelli Leandro	Principal	Principal	Current
Puka Solomon	Parent Rep	Elected	Sep-22
Williams Rhian	Parent Rep	Elected	Sep-22
Woolrich Spencer	Staff Rep	Elected	Sep-22

Service Provider:

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

SWANSON SCHOOL

Annual Report - For the year ended 31 December 2021

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Swanson 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.

Callum Marsh

Full Name of Presiding Member

Leandro Piantelli

Full Name of Principal



Signature of Presiding Member



Signature of Principal

30 March 22

Date:

06/04/2022

Date:

Swanson School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	4,354,562	4,150,278	4,281,345
Locally Raised Funds	3	170,888	43,200	67,309
Interest Income		7,890	7,500	8,376
		<u>4,533,340</u>	<u>4,200,978</u>	<u>4,357,030</u>
Expenses				
Locally Raised Funds	3	23,695	30,250	49,757
Learning Resources	4	2,968,534	2,662,789	2,726,513
Administration	5	297,518	229,117	209,353
Finance		5,236	2,400	2,446
Property	6	886,054	1,132,299	1,126,973
Depreciation	11	150,838	133,500	132,726
Loss on Disposal of Property, Plant and Equipment		1,915	-	8,171
		<u>4,333,790</u>	<u>4,190,355</u>	<u>4,255,939</u>
Net Surplus / (Deficit) for the year		199,550	10,623	101,091
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>199,550</u></u>	<u><u>10,623</u></u>	<u><u>101,091</u></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.

Swanson 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	599,441	623,998	556,249
Accounts Receivable	8	495,467	247,656	247,656
GST Receivable		38,558	(5,884)	-
Prepayments		3,912	609	609
Inventories	9	2,181	2,599	2,599
Investments	10	1,001,008	454,705	454,705
		<u>2,140,567</u>	<u>1,323,683</u>	<u>1,261,818</u>
Current Liabilities				
GST Payable		-	-	5,884
Accounts Payable	12	535,975	208,378	207,252
Revenue Received in Advance	13	21,196	-	-
Provision for Cyclical Maintenance	14	9,167	-	-
Finance Lease Liability	15	29,519	18,726	18,726
Funds held for Capital Works Projects	16	104,234	59,479	59,479
Funds for Resource Teachers of Learning & Behaviour services	17	295,666	-	-
		<u>995,757</u>	<u>286,583</u>	<u>291,341</u>
Working Capital Surplus/(Deficit)		1,144,810	1,037,100	970,477
Non-current Assets				
Property, Plant and Equipment	11	690,813	546,412	602,411
		<u>690,813</u>	<u>546,412</u>	<u>602,411</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	123,008	115,482	115,482
Finance Lease Liability	15	45,129	8,972	8,972
		<u>168,137</u>	<u>124,454</u>	<u>124,454</u>
Net Assets		<u>1,667,485</u>	<u>1,459,058</u>	<u>1,448,435</u>
Equity		<u>1,667,485</u>	<u>1,459,058</u>	<u>1,448,435</u>

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

Swanson School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		1,448,435	1,448,435	1,340,525
Total comprehensive revenue and expense for the year		199,550	10,623	101,091
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		19,500	-	6,819
Equity at 31 December		1,667,485	1,459,058	1,448,435
Retained Earnings		1,667,485	1,459,058	1,448,435
Equity at 31 December		1,667,485	1,459,058	1,448,435

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.

Swanson School

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		1,236,766	1,381,003	1,174,103
Locally Raised Funds		259,634	11,564	84,033
Goods and Services Tax (net)		(44,442)	43,573	43,573
Payments to Employees		(621,514)	(694,708)	(572,508)
Payments to Suppliers		(408,597)	(501,676)	(453,158)
Interest Paid		(5,236)	(2,400)	(2,446)
Interest Received		7,166	6,765	7,641
Net cash from/(to) Operating Activities		423,777	244,121	281,238
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(168,878)	(114,402)	(21,681)
Purchase of Investments		(546,303)	(404,535)	(404,535)
Net cash from/(to) Investing Activities		(715,181)	(518,937)	(426,216)
Cash flows from Financing Activities				
Furniture and Equipment Grant		19,500	-	6,819
Finance Lease Payments		(25,326)	(9,930)	(42,548)
Funds Administered on Behalf of Third Parties		340,422	81,650	33,381
Net cash from/(to) Financing Activities		334,596	71,720	(2,348)
Net increase/(decrease) in cash and cash equivalents		43,192	(203,096)	(147,326)
Cash and cash equivalents at the beginning of the year	7	556,249	827,094	703,575
Cash and cash equivalents at the end of the year	7	599,441	623,998	556,249

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

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

Swanson School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold 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 14.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the

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

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

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 to Crown Owned Assets	40 years
Furniture and equipment	10 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	305 years
Library resources	12.5% Diminishing

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. 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.

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

n) Revenue Received in Advance

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

o) Provision for Cyclical Maintenance

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

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

p) Financial Instruments

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

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

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

q) 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.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

r) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

u) Services received in-kind

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

2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	978,843	1,000,018	909,787
Teachers' Salaries Grants	2,501,344	2,065,841	2,273,207
Use of Land and Buildings Grants	616,452	811,325	845,343
Other MoE Grants	251,342	228,969	251,517
Other Government Grants	6,581	44,125	1,491
	<u>4,354,562</u>	<u>4,150,278</u>	<u>4,281,345</u>

The school has opted in to the donations scheme for this year. Total amount received was \$83250.

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Donations & Bequests	3,365	-	3,143
Fees for Extra Curricular Activities	7,161	9,750	33,386
Trading	6,528	14,250	7,888
Fundraising & Community Grants	153,834	19,200	22,892
	<u>170,888</u>	<u>43,200</u>	<u>67,309</u>
Expenses			
Extra Curricular Activities Costs	15,610	25,750	45,014
Trading	2,409	1,000	2,462
Fundraising and Community Grant Costs	5,676	3,500	2,281
	<u>23,695</u>	<u>30,250</u>	<u>49,757</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>147,193</u>	<u>12,950</u>	<u>17,552</u>

4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	71,504	112,664	68,377
Equipment Repairs	60	-	-
Library Resources	725	1,200	420
Employee Benefits - Salaries	2,878,921	2,508,925	2,636,109
Staff Development	17,324	40,000	21,607
	<u>2,968,534</u>	<u>2,662,789</u>	<u>2,726,513</u>

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	5,876	6,350	6,030
Board Fees	1,885	2,800	2,610
Board Expenses	9,641	10,100	5,512
Communication	7,470	7,700	7,881
Consumables	33,204	21,450	21,009
Operating Lease	-	-	11,826
Other	36,846	30,100	32,796
Employee Benefits - Salaries	179,294	131,550	99,592
Insurance	5,250	5,067	5,067
Service Providers, Contractors and Consultancy	18,052	14,000	17,030
	<u>297,518</u>	<u>229,117</u>	<u>209,353</u>

6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	53,048	54,700	54,577
Cyclical Maintenance Provision	16,693	28,000	50,274
Grounds	19,007	25,500	11,846
Heat, Light and Water	33,955	50,000	46,741
Rates	99	125	114
Repairs and Maintenance	59,398	77,649	45,684
Use of Land and Buildings	616,452	811,325	845,343
Security	7,016	5,000	2,454
Employee Benefits - Salaries	80,386	80,000	69,940
	<u>886,054</u>	<u>1,132,299</u>	<u>1,126,973</u>

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

7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	599,441	623,998	556,249
Cash and cash equivalents for Statement of Cash Flows	<u>599,441</u>	<u>623,998</u>	<u>556,249</u>

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

Of the \$599,441 Cash and Cash Equivalents, \$295,666 is held by the School on behalf of the RTL B cluster. See note 25 for details of how the funding received for the cluster has been spent in the year.

8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	-	67,550	67,550
Interest Receivable	2,611	1,887	1,887
Teacher Salaries Grant Receivable	492,856	178,219	178,219
	<u>495,467</u>	<u>247,656</u>	<u>247,656</u>
Receivables from Exchange Transactions	2,611	69,437	69,437
Receivables from Non-Exchange Transactions	492,856	178,219	178,219
	<u>495,467</u>	<u>247,656</u>	<u>247,656</u>

9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	981	368	368
School Uniforms	1,200	2,231	2,231
	<u>2,181</u>	<u>2,599</u>	<u>2,599</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	1,001,008	454,705	454,705
	<u>1,001,008</u>	<u>454,705</u>	<u>454,705</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements	73,128	-	-	-	(3,826)	69,302
Furniture and Equipment	429,238	89,079	-	-	(77,991)	440,326
Information and Communication Technology	54,306	63,523	-	-	(31,212)	86,617
Leased Assets	24,900	83,701	-	-	(34,837)	73,765
Library Resources	20,839	4,849	(1,915)	-	(2,972)	20,803
Balance at 31 December 2021	<u>602,411</u>	<u>241,152</u>	<u>(1,915)</u>	<u>-</u>	<u>(150,838)</u>	<u>690,813</u>

The net carrying value of equipment held under a finance lease is \$73,764 (2020: \$24,900)

	2021	2021	2021	2020	2020	2020
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Building Improvements	153,036	(83,734)	69,302	153,036	(79,908)	73,128
Furniture and Equipment	957,388	(517,062)	440,326	850,623	(421,385)	429,238
Information and Communication T	378,565	(291,948)	86,617	294,151	(239,845)	54,306
Leased Assets	122,521	(48,756)	73,765	50,245	(25,345)	24,900
Library Resources	53,334	(32,531)	20,803	53,390	(32,550)	20,839
Balance at 31 December	1,664,844	(974,031)	690,813	1,401,445	(799,033)	602,411

12. Accounts Payable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Creditors	9,826	13,889	12,763
Accruals	7,310	6,030	6,030
Employee Entitlements - Salaries	492,856	178,219	178,219
Employee Entitlements - Leave Accrual	25,983	10,240	10,240
	535,975	208,378	207,252
Payables for Exchange Transactions	535,975	208,378	207,252
	535,975	208,378	207,252

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Other revenue in Advance	21,196	-	-
	21,196	-	-

14. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Provision at the Start of the Year	115,482	115,482	65,208
Increase/ (decrease) to the Provision During the Year	16,693	28,000	50,274
Use of the Provision During the Year	-	(28,000)	-
Provision at the End of the Year	132,175	115,482	115,482
Cyclical Maintenance - Current	9,167	-	-
Cyclical Maintenance - Term	123,008	115,482	115,482
	132,175	115,482	115,482

15. Finance Lease Liability

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
No Later than One Year	34,960	18,726	20,253
Later than One Year and no Later than Five Years	50,756	8,972	9,568
Future Finance Charges	(11,068)	-	(2,123)
	<u>74,648</u>	<u>27,698</u>	<u>27,698</u>
Represented by			
Finance lease liability - Current	29,519	18,726	18,726
Finance lease liability - Term	45,129	8,972	8,972
	<u>74,648</u>	<u>27,698</u>	<u>27,698</u>

16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects.

	2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Hall Roofing	<i>in progress</i>	37,398	-	(35,330)	-	2,067
Hall Refurbishment	<i>in progress</i>	22,081	254,642	(174,556)	-	102,167
Totals		<u>59,479</u>	<u>254,642</u>	<u>(209,886)</u>	<u>-</u>	<u>104,234</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	104,234
	<u>104,234</u>

	2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Block 2 Upgrade	<i>completed</i>	(22,171)	56,163	(33,992)	-	-
Library Roofing	<i>completed</i>	-	48,076	(48,076)	-	-
Hall Roofing	<i>in progress</i>	-	61,701	(24,303)	-	37,398
Hall Refurbishment	<i>in progress</i>	-	36,700	(14,619)	-	22,081
Totals		<u>(22,171)</u>	<u>202,640</u>	<u>(120,990)</u>	<u>-</u>	<u>59,479</u>

17. Funds for Resource Teachers of Learning and Behaviour Services (RTLB)

Swanson School is the lead school funded by the Ministry of Education to provide the services of Resource Teachers of Learning and Behaviour to its cluster of schools.

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds held at beginning of the year	223,319	-	-
<i>Revenue</i>			
Teachers' Salary Grant	3,097,160	3,069,330	-
Administration Grant	115,882	115,882	-
Learning Support Funding	214,752	214,717	-
Travel Grant	138,720	135,039	-
Other Revenue	20,648	23,950	-
	<hr/> 3,587,162	<hr/> 3,558,918	<hr/> -
Total funds available	<hr/> 3,810,481	<hr/> 3,558,918	<hr/> -
<i>Expenses</i>			
Employee Benefit - Salaries	3,138,552	3,134,330	-
Administration	137,716	211,000	-
Learning Support	208,429	243,000	-
Travel	29,768	61,000	-
Other Expenses	360	-	-
	<hr/> 3,514,825	<hr/> 3,649,330	<hr/> -
Purchase of Assets	-	-	-
Funds Held at Year End	<hr/> <hr/> 295,666	<hr/> <hr/> (90,412)	<hr/> <hr/> -

Funds totalling \$223,319 were transferred to Swanson School from previous RTLB fundholding schools.

20. 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.

21. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i> Remuneration	1,885	2,610
<i>Leadership Team</i> Remuneration Full-time equivalent members	505,199 4	444,048 4
Total key management personnel remuneration	507,084	446,658

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

Principal

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	180-190	140-150
Benefits and Other Emoluments	5-6	4.-5
Termination Benefits	-	-

Principal 2

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		
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100-110	4.00	1.00
	4.00	1.00

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

22. Compensation and Other Benefits Upon Leaving

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

	2021 Actual	2020 Actual
Total	\$0	-
Number of People	0	-

23. Contingencies

There are no contingent liabilities 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.

24. Commitments

(a) Capital Commitments

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

\$269,220 contract for Hall Interior Refurbishment as agent for the Ministry of Education. This project is fully funded by the Ministry. \$291,342 has been received and \$189,175 has been spent on the project to balance date. \$75,658 is yet to be received. This project has been approved by the Ministry.

(Capital commitments at 31 December 2020: \$48,926)

25. 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	599,441	623,998	556,249
Receivables	495,467	247,656	247,656
Investments - Term Deposits	1,001,008	454,705	454,705
Total Financial assets measured at amortised cost	<u>2,095,916</u>	<u>1,326,359</u>	<u>1,258,610</u>

Financial liabilities measured at amortised cost

Payables	535,975	208,378	207,252
Finance Leases	74,648	27,698	27,698
Total Financial Liabilities Measured at Amortised Cost	<u>610,623</u>	<u>236,076</u>	<u>234,950</u>

26. Events After Balance Date

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

27. Comparatives

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

28. 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.

Reduction in International students

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

Any other impacts affecting your school.