

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 Expires
Marsh Callum	Presiding member	Elected	Sep-22
Gaitau Meagan	Parent Rep	Elected	Sep-22
Maharan Raj	Parent Rep	Elected	Sep-22
Piantelli Leandro	Principal	Principal	Current
Puka Solomon	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

[Signature]

Signature of Presiding Member

22/05/2022

Date:

Leandro Piantelli

Full Name of Principal

[Signature]

Signature of Principal

20/05/2022

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	4,403,859	4,150,278	4,281,345
Locally Raised Funds	3	170,888	43,200	67,309
Interest Income		7,890	7,500	8,376
		4,582,637	4,200,978	4,357,030
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
		4,333,790	4,190,355	4,255,939
Net Surplus / (Deficit) for the year		248,847	10,623	101,091
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		248,847	10,623	101,091

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	544,764	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
		2,189,864	1,323,683	1,261,818
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	-	-
		995,757	286,583	291,341
Working Capital Surplus/(Deficit)		1,194,107	1,037,100	970,477
Non-current Assets				
Property, Plant and Equipment	11	720,082	546,412	602,411
		720,082	546,412	602,411
Non-current Liabilities				
Provision for Cyclical Maintenance	14	123,008	115,482	115,482
Finance Lease Liability	15	45,129	8,972	8,972
		168,137	124,454	124,454
Net Assets		1,746,051	1,459,058	1,448,435
Equity		1,746,051	1,459,058	1,448,435

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		248,847	10,623	101,091
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		19,500	-	6,819
Contribution - Capital Equipment Grant		29,269	-	-
Equity at 31 December		1,746,051	1,459,058	1,448,435
Retained Earnings		1,746,051	1,459,058	1,448,435
Equity at 31 December		1,746,051	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		169,549	11,564	84,033
Goods and Services Tax (net)		(44,442)	43,573	43,573
Payments to Employees		(604,739)	(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		350,467	244,121	281,238
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(157,451)	(114,402)	(21,681)
Purchase of Investments		(546,303)	(404,535)	(404,535)
Net cash from/(to) Investing Activities		(703,754)	(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		402,305	81,650	33,381
Net cash from/(to) Financing Activities		396,479	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 grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

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

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 and its useful life.

Depreciation

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

The estimated useful lives of the assets are:

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

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.

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) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts 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.

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 an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

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 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.

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.

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

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.

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	2,518,119	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	39,103	44,125	1,491
	4,403,859	4,150,278	4,281,345

The school has opted in to the donations scheme for this year. Total amount received was \$83,250.

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
	170,888	43,200	67,309
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
	23,695	30,250	49,757
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	147,193	12,950	17,552

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
	2,968,534	2,662,789	2,726,513

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>

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

7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	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, \$104,234 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2022 on Crown owned school buildings.

Of the \$599,441 Cash and Cash Equivalents, \$295,666 is held by the School on behalf of the RTLB cluster. See note 17 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	32,522	67,550	67,550
Interest Receivable	2,611	1,887	1,887
Banking Staffing Underuse	16,775	-	-
Teacher Salaries Grant Receivable	492,856	178,219	178,219
	<u>544,764</u>	<u>247,656</u>	<u>247,656</u>
Receivables from Exchange Transactions	35,133	69,437	69,437
Receivables from Non-Exchange Transactions	509,631	178,219	178,219
	<u>544,764</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
Total Investments	<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	92,792	-	-	(31,212)	115,886
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>270,421</u>	<u>(1,915)</u>	<u>-</u>	<u>(150,838)</u>	<u>720,082</u>

The net carrying value of equipment held under a finance lease is \$73,765 (2020: \$24,900)

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book 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 Technology	407,834	(291,948)	115,886	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	1,694,113	(974,031)	720,082	1,401,445	(799,033)	602,411

12. Accounts Payable

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

14. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
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 received from previous RTLB lead school	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	-
	3,587,162	3,558,918	-
Total funds available	3,810,481	3,558,918	-
<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	-	-
	3,514,825	3,649,330	-
Purchase of Assets	-	-	-
Funds Held at Year End	295,666	(90,412)	-

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

18. Related Party Transactions

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

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

19. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	1,885	2,610
<i>Leadership Team</i>		
Remuneration	529,969	444,048
Full-time equivalent members	4	4
Total key management personnel remuneration	531,854	446,658

There are six members of the Board excluding the Principal. The Board had held nine 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	200-210	140-150
Benefits and Other Emoluments	5-6	4-5
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	5.00	1.00
	5.00	1.00

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

20. Compensation and Other Benefits Upon Leaving

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

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

21. 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.

22. 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)

23. Financial Instruments

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

Financial assets measured at amortised cost

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Cash and Cash Equivalents	599,441	623,998	556,249
Receivables	544,764	247,656	247,656
Investments - Term Deposits	1,001,008	454,705	454,705
Total Financial assets measured at amortised cost	2,145,213	1,326,359	1,258,610

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	610,623	236,076	234,950

24. Events After Balance Date

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

25. Comparatives

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

RSM Hayes Audit

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Independent Auditor's Report

To the readers of Swanson School's Financial statements For the year ended 31 December 2021

The Auditor-General is the auditor of Swanson School (the School). The Auditor-General has appointed me, Wayne Tukiri, using the staff and resources of RSM Hayes Audit, 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 19, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2021; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 26 May 2022. 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 of 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 of Trustees 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 payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information includes the statement of responsibility, board member list, analysis of variance and kiwisport report, 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 Swanson School.

A handwritten signature in blue ink, appearing to read 'Wayne Tukiri'.

Wayne Tukiri
RSM Hayes Audit
On behalf of the Auditor-General
Auckland, New Zealand

School Name:	Swanson School	School Number:	1521
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Strategic Goals:	1. Excel by providing meaningful learning experiences 2. Engage with our students, our whānau and our community 3. Empower our people to believe in themselves and others		
Key initiatives for achieving strategic goals:	1. Excel a. Develop and implement a localised curriculum b. Integrate Te Reo and Tikanga in all areas of learning c. Strengthen teaching capability (including a TAI approach)	2. Engage a. Develop a community engagement plan b. Develop and implement a holistic tracking system to identify support systems required to improve learning throughout the curriculum	3. Empower a. Create a shared understanding of cultural inclusiveness b. Link our values to all curriculum areas

Analysis of Variance 2021						
Goal	Initiatives	Actions	Intended Outcomes	Actual outcomes	Variance	Where to next?
Excel	1. Develop a localised curriculum (implementation will come at a later Strat plan)	<ul style="list-style-type: none"> Gather, collate and analyse community's voice. Review our current curriculum against the consultations Redesign curriculum 	<ul style="list-style-type: none"> Data has been gathered and collated GAP analysis done and informs new design Redesign Completed 	<ul style="list-style-type: none"> We gathered community and staff voice with a dedicated consultation evening and subsequent online survey We have not done a GAP analysis yet. We are still working to design our local curriculum 	<ul style="list-style-type: none"> Lockdown hit straight after we did the consultation evening, so we gathered the data we need, but we haven't been able to meet to discuss findings and establish next steps yet 	<ul style="list-style-type: none"> We will get together to analyse the data and plan accordingly by the beginning of 2022
	2. Integrate Te Reo and Tikanga in all areas of learning	<ul style="list-style-type: none"> Develop a Tikanga/Te Reo PD Programme 	<ul style="list-style-type: none"> Teachers integrate Te Reo and Tikanga in their daily programmes 	<ul style="list-style-type: none"> Teachers participated of PD as planned We are starting to see more meaningful examples of Tikanga and Te Reo normalisation in the classroom. Many teachers completed He Papa Tikanga course through Te Wananga o Aotearoa 	<ul style="list-style-type: none"> Plans were postponed once again due to lockdown We couldn't run as many events and activities as we had planned 	<ul style="list-style-type: none"> Re-focus PD on staff exploring culture, unconscious bias, the Tiriti o Waitangi and implications for classroom practice

		<ul style="list-style-type: none"> • Develop and Communicate a programme of cultural events and activities 	<ul style="list-style-type: none"> • Increased attendance to events and activities 	<ul style="list-style-type: none"> • Principal and MASAM team participated of MAC initiative • Most events and activities had to be cancelled due to the pandemic 		<ul style="list-style-type: none"> • Re-start plan, considering Covid Traffic light system restrictions
	3. Strengthen teaching capability (including a TAI approach)	<ul style="list-style-type: none"> • Gather, collate, and analyse data about what teachers understand as effective pedagogy and TAI • PD plan around teaching as inquiry 	<ul style="list-style-type: none"> • Data has been gathered and collated • Teachers receive PD about TAI 	<ul style="list-style-type: none"> • We've had some conversations around inquiry, but not to the extend we were intending to 	<ul style="list-style-type: none"> • PLD had to be cancelled due to lockdowns and meeting restrictions 	<ul style="list-style-type: none"> • The focus will be on pedagogical change rather than just TAI • Pedagogical change will be a focus for the new Mahi Tahi team
Engage	4. Develop a community engagement plan	<ul style="list-style-type: none"> • Investigate how parents feel about interacting with the school • Explore how we can be more creative about engaging parents • Provide staff PD about how we engage with parents 	<ul style="list-style-type: none"> • We understand how parents feel about coming to the school • We use a variety of ways to engage parents • Staff receive PD about parental engagement 	<ul style="list-style-type: none"> • Although we were unable to gather with parents and organise events due to the lockdown, we were forced to engage with parents in different ways. • We received extremely positive feedback about how we handled and communicated information, and how we made an extra effort to support out whānau throughout the lockdown • PD had to be postponed as we were not allowed to meet 	<ul style="list-style-type: none"> • Although we were unable to gather with parents and organise events due to the lockdown, we were forced to engage with parents in different ways. 	<ul style="list-style-type: none"> - Continue to monitor, re-visit, assess and edit plan as needed.
	5. Develop and implement a holistic tracking system to identify support systems required to improve learning throughout the curriculum	<ul style="list-style-type: none"> • Research: what are the barriers that hinder children's learning? • Design a holistic tracking system • Provide PD for teachers 	<ul style="list-style-type: none"> • We understand the barriers to learning • We have an effective and easy to use tracking system • Teachers use the system effectively 	<ul style="list-style-type: none"> • We researched Maslow's hierarchy of needs, Glasser's 5 basic needs, and whāre tapa whā and Te Wheke Māori health models • We designed a tracking system based on all of the above • Trialled the system with on of the teams first 	<ul style="list-style-type: none"> • Outcome as expected • Progress halted by lockdown • Teams are now using the systems • Te Manawa will be particularly relevant and useful as we support children to come back next year 	<ul style="list-style-type: none"> • Maintain a focus on implementation and use of Te Manawa • Assess progress and link it with well-being, learning, achievement and attendance outcomes

		<ul style="list-style-type: none"> • Implement and monitor teacher's use of the system 		<ul style="list-style-type: none"> • Launched the system and run PD sessions for teachers and TAs 	after the long lockdown	
Empower	1. Create a shared understanding of cultural inclusiveness	<ul style="list-style-type: none"> • Explore with staff: what culture is? What does it mean to be culturally inclusive and responsive? • Teachers demonstrate their understanding of cultural identity through interactions with whanau. 	<ul style="list-style-type: none"> • We run staff meetings about culture and cultural inclusiveness • Teacher practice reflects culturally inclusiveness 	<ul style="list-style-type: none"> • We could only run 1 staff meeting, all the rest we had planned had to be cancelled/postponed • Principal and MASAM team participated of MAC initiative • MASAM leaders provided support for teachers to include Tikanga and Te Reo in their online learning programmes 	<ul style="list-style-type: none"> • PD opportunities were cancelled/postponed due to the pandemic. • There is positive evidence about culturally inclusive practices in classrooms and programmes • Still work to be done, but could not deliver PD as expected due to the lockdown 	<ul style="list-style-type: none"> • Focus for 2022
	2. Link our values to all curriculum areas	<ul style="list-style-type: none"> • Revitalise the school vision • Intentionally teach and refer to the leaves on the Kauri tree 	<ul style="list-style-type: none"> • School vision is referred to and visible around the school • Values and skills on vision are part of everyday teacher 	<ul style="list-style-type: none"> • PD and staff meeting we had planned had to be cancelled/postponed • Learning journals on hold • Created an alternative, brief end of year report based on the branches of our kauri tree and key competencies 	<ul style="list-style-type: none"> • PD opportunities were cancelled/postponed due to the pandemic. 	<ul style="list-style-type: none"> • Keep working on the implementation of Te Manawa and link it with our school vision • Strengthen the focus on values, KCs and 21st century skills

School

Swanson Primary School

KIWISPORT NOTE

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2021, the school received total Kiwisport funding of \$8556.52 (excluding GST). The funding was spent on sports equipment, buses to sports events and gym lessons for the whole school. The whole amount was not used due to the the impact of Covid. The number of students participating in organised sport increased from 100% of the school roll.