



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	100
Principal:	Grant McMillan
School Address:	18 Dr Pickering Ave, Manurewa, 2102
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JAMES COOK HIGH SCHOOL

Annual Report - For the year ended 31 December 2022

Index

Page	Statement
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Financial Statements	
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1	Statement of Responsibility
-------------------	-----------------------------

2	Members of the Board
-------------------	----------------------

3	Statement of Comprehensive Revenue and Expense
-------------------	--

4	Statement of Changes in Net Assets/Equity
-------------------	---

5	Statement of Financial Position
-------------------	---------------------------------

6	Statement of Cash Flows
-------------------	-------------------------

7 - 18	Notes to the Financial Statements
------------------------	-----------------------------------

Other Information	
--------------------------	--

Analysis of Variance	
----------------------	--

Kiwisport	
-----------	--

Independent Auditor's Report	
------------------------------	--

James Cook High School

Statement of Responsibility

For the year ended 31 December 2022

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

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

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

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

Full Name of Presiding Member

Full Name of Principal

Signature of Presiding Member

Signature of Principal

Date:

Date:

James Cook High School

Members of the Board

For the year ended 31 December 2022

Name	Position	How Position Gained	Term Expired/ Expires
Waru Clark	Presiding Member	Elected	Sep 2022
	Parent Representative	Elected	Sep 2025
Jaylene Ball	Parent Representative	Elected	Sep 2022
	Presiding Member	Elected	Sep 2025
Grant McMillan	Principal	ex Officio	
Simon Adams	Parent Representative	Elected	Sep 2022
Kim Dennis	Parent Representative	Elected	Sep 2025
Seu Kaisala	Parent Representative	Elected	Sep 2025
Alvin Chand	Staff Representative	Elected	Sep 2022
Wilm Goodwin	Staff Representative	Elected	Sep 2025
Eline Peni	Student Representative	Elected	Feb 2022
Tiare Maangi	Student Representative	Elected	Oct 2023
Victoria Takawe	Parent Representative	Elected	Sep 2022

James Cook High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Revenue				
Government Grants	2	18,949,049	17,178,630	16,117,667
Locally Raised Funds	3	301,150	486,346	632,846
Interest Income		25,660	35,000	11,821
Gain on Sale of Property, Plant and Equipment		-	-	-
Other Revenue		-	-	-
		19,275,859	17,699,976	16,762,334
Expenses				
Locally Raised Funds	3	154,382	69,955	424,451
Learning Resources	4	13,899,259	13,351,940	11,888,843
Administration	5	2,585,757	1,004,500	1,877,305
Finance		29,891	-	-
Property	6	2,948,528	3,433,500	2,646,531
Other Expenses	6	6,238	500	52
Loss on Disposal of Property, Plant and Equipment		-	-	-
		19,624,055	17,860,395	16,837,182
Net Surplus / (Deficit) for the year		(348,196)	(160,419)	(74,848)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(348,196)	(160,419)	(74,848)

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

James Cook High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Balance at 1 January		<u>5,556,557</u>	<u>5,556,557</u>	<u>5,551,980</u>
Total comprehensive revenue and expense for the year		(348,196)	(160,419)	(74,848)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	79,425
Contribution - Te Mana Tuhono		-	-	-
Contribution		-	-	-
Equity at 31 December		<u>5,208,361</u>	<u>5,396,138</u>	<u>5,556,557</u>
Accumulated comprehensive revenue and expense		5,208,361	5,396,138	5,556,557
Equity at 31 December		<u>5,208,361</u>	<u>5,396,138</u>	<u>5,556,557</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

James Cook High School

Statement of Financial Position

As at 31 December 2022

		2022	2022	2021
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	7	596,109	1,780,469	1,245,388
Accounts Receivable	8	1,117,191	259,301	259,301
GST Receivable		24,914	59,715	59,715
Prepayments		23,809	6,865	6,865
Inventories	9	3,609	3,580	3,580
Investments	10	1,108,437	1,103,490	1,103,490
Funds Receivable for Capital Works Projects	17	392,243	199,503	199,503
		3,266,312	3,412,923	2,877,842
Current Liabilities				
Cash and Cash Equivalents - Overdraft	7	-	-	-
GST Payable		-	-	-
Accounts Payable	13	1,295,017	842,448	842,448
Borrowings	13	-	-	-
Revenue Received in Advance	14	70,227	72,063	72,063
Provision for Cyclical Maintenance	15	40,561	40,561	40,561
Painting Contract Liability	15	-	-	-
Finance Lease Liability	16	261,546	95,328	95,328
Funds held in Trust	16	-	-	-
Funds held for Capital Works Projects	17	265,687	269,116	269,116
Funds Held on Behalf of the Alternative Education Cluster	18	670,214	533,008	533,008
Funds Held on Behalf of the Teen Parent Unit	19	95,028	95,171	95,171
Funds Held on Behalf of the Cluster	19	-	-	-
		2,698,280	1,947,695	1,947,695
Working Capital Surplus/(Deficit)		568,032	1,465,228	930,147
Non-current Assets				
Investments	10	-	-	-
Property, Plant and Equipment	11	5,051,690	4,233,520	4,829,020
Intangible Assets	12	13,626	28,942	28,942
		5,065,316	4,262,462	4,857,962
Non-current Liabilities				
Borrowings	13	-	-	-
Provision for Cyclical Maintenance	15	70,858	150,699	50,699
Painting Contract Liability	15	-	-	-
Finance Lease Liability	16	354,129	180,853	180,853
Funds held in Trust	16	-	-	-
		424,987	331,552	231,552
Net Assets		5,208,361	5,396,138	5,556,557
Equity		5,208,361	5,396,138	5,556,557

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

James Cook High School

Statement of Cash Flows

For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		6,302,269	7,003,630	5,376,481
Locally Raised Funds		158,246	486,346	551,266
International Students		-	-	-
Goods and Services Tax (net)		34,801	-	19,408
Payments to Employees		(3,882,242)	(4,932,500)	(3,263,091)
Payments to Suppliers		(2,614,883)	(2,056,895)	(1,950,290)
Interest Paid		-	-	-
Interest Received		23,677	35,000	9,236
Net cash from/(to) Operating Activities		21,868	535,581	743,010
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(220,078)	(500)	(270,426)
Purchase of Investments		(4,947)	-	(403,490)
Proceeds from Sale of Investments		-	-	-
Net cash from/(to) Investing Activities		(225,025)	(500)	(673,916)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	79,425
Finance Lease Payments		(387,016)	-	(74,138)
Painting Contract Payments		-	-	-
Loans Received		-	-	-
Repayment of Loans		-	-	-
Funds Administered on Behalf of Third Parties		(59,106)	-	(35,943)
Net cash from/(to) Financing Activities		(446,122)	-	(30,656)
Net increase/(decrease) in cash and cash equivalents		(649,279)	535,081	38,438
Cash and cash equivalents at the beginning of the year	7	1,245,388	1,245,388	1,206,950
Cash and cash equivalents at the end of the year	7	596,109	1,780,469	1,245,388

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.

James Cook High School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

1.1. Reporting Entity

James Cook High 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.

1.2. Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

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 best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

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. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 24b.

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.

1.3. Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. 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.

1.5. 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.

1.6. 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.

1.7. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The school's 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.

1.8. 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.

1.9. 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.

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

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

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	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.11. Intangible Assets

Software costs

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

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

1.12. Impairment of property, plant and equipment and intangible assets

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information.

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

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

1.13. 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.

1.14. 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 12 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. Remeasurements are recognised in surplus or deficit in the period in which they arise.

1.15. Revenue Received in Advance

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

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.

1.16. Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

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

1.17. Funds held for Capital Works

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

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

1.18. Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTLB programme), all income and expenditure related to the provision of the service is recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

1.19. 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.

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

The school carries out painting maintenance of the whole school over a 7 to 15 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

1.20. Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

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. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

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

1.21. 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.

1.22. 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.

1.23. Budget Figures

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

1.24. 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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	5,688,247	6,603,830	5,043,408
Teachers' Salaries Grants	8,561,412	7,550,000	7,535,109
Use of Land and Buildings Grants	2,066,340	2,625,000	1,859,509
Healthy Lunches Grant	2,011,861	-	1,264,219
Other Government Grants	621,189	399,800	415,422
	<u>18,949,049</u>	<u>17,178,630</u>	<u>16,117,667</u>

The School has opted in to the donations scheme for this year. Total amount received was \$0 (2021: \$205,650).

3. Locally Raised Funds

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	743	211,496	835
Curriculum related Activities - Purchase of goods and services	42,244	48,000	302,261
Fees for Extra Curricular Activities	27,077	26,000	54,946
Trading	10,213	14,500	13,846
Fundraising & Community Grants	220,873	186,350	260,958
	<u>301,150</u>	<u>486,346</u>	<u>632,846</u>
Expenses			
Extra Curricular Activities Costs	154,382	69,955	424,451
	<u>154,382</u>	<u>69,955</u>	<u>424,451</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>146,768</u>	<u>416,391</u>	<u>208,395</u>

4. Learning Resources

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	1,309,200	923,440	811,624
Information and Communication Technology	229,217	120,000	117,920
Employee Benefits - Salaries	11,640,306	11,713,000	10,374,706
Depreciation	720,536	595,500	584,593
	<u>13,899,259</u>	<u>13,351,940</u>	<u>11,888,843</u>

5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	12,130	11,000	11,770
Board Fees	8,170	7,500	7,278
Board Expenses	21,547	13,000	10,626
Intervention Costs & Expenses	-	-	743
Communication	25,229	21,500	18,058
Consumables	31,093	120,500	45,682
Operating Lease	9,326	235,000	-
Healthy Lunches Expenses	2,011,861	-	1,264,219
Other	25,941	14,500	13,553
Employee Benefits - Salaries	411,682	564,500	487,977
Insurance	21,752	13,000	12,039
Service Providers, Contractors and Consultancy	7,026	4,000	5,360
	2,585,757	1,004,500	1,877,305

6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	18,051	16,000	12,719
Consultancy and Contract Services	197,349	193,000	194,656
Cyclical Maintenance Provision	101,433	100,000	101,433
Grounds	26,305	23,000	21,659
Heat, Light and Water	198,374	182,000	173,979
Rates	1,600	2,500	2,425
Repairs and Maintenance	120,355	64,000	59,670
Use of Land and Buildings	2,066,340	2,625,000	1,859,509
Security	26,662	23,000	17,016
Employee Benefits - Salaries	192,059	205,000	203,465
	2,948,528	3,433,500	2,646,531

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

7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	596,109	1,780,469	1,245,388
Cash and cash equivalents for Statement of Cash Flows	596,109	1,780,469	1,245,388

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

Of the \$596,109 Cash and Cash Equivalents, \$265,687 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 2023 on Crown owned school buildings.

Of the \$596,109 Cash and Cash Equivalents, \$670,214 is held by the School on behalf of the Alternative Education cluster. See note 18 for details of how the funding received for the cluster has been spent in the year.

Of the \$596,109 Cash and Cash Equivalents, \$95,028 is held by the School on behalf of the Teen Parent Unit. See note 19 for details of how the funding received for the cluster has been spent in the year.

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	358,089	160,608	160,608
Receivables from the Ministry of Education	-	68,417	68,417
Interest Receivable	4,568	2,585	2,585
Teacher Salaries Grant Receivable	754,534	27,691	27,691
	<u>1,117,191</u>	<u>259,301</u>	<u>259,301</u>
Receivables from Exchange Transactions	362,657	163,193	163,193
Receivables from Non-Exchange Transactions	754,534	96,108	96,108
	<u>1,117,191</u>	<u>259,301</u>	<u>259,301</u>

9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	1,779	1,779	1,779
Canteen	1,830	1,801	1,801
	<u>3,609</u>	<u>3,580</u>	<u>3,580</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	1,108,437	1,103,490	1,103,490
	<u>1,108,437</u>	<u>1,103,490</u>	<u>1,103,490</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022	\$	\$	\$	\$	\$	\$
Land	-	-	-	-	-	-
Buildings	-	-	-	-	-	-
Building Improvements	3,698,654	6,979	-	-	(98,162)	3,607,471
Furniture and Equipment	489,741	156,382	-	-	(121,801)	524,322
Information and Communication Technology	434,622	206,403	-	-	(227,845)	413,180
Motor Vehicles	-	-	-	-	-	-
Textbooks	49,130	2,116	-	-	(35,788)	15,458
Leased Assets	117,662	701,506	-	-	(232,298)	586,870
Library Resources	39,211	-	(2,074)	-	(4,642)	32,495
Work in Progress	-	-	(128,106)	-	-	(128,106)
Balance at 31 December 2022	<u>4,829,020</u>	<u>1,073,386</u>	<u>(130,180)</u>	<u>-</u>	<u>(720,536)</u>	<u>5,051,690</u>

The net carrying value of furniture and equipment held under a finance lease is \$586,870 (2021: \$117,662)

Restrictions

With the exception of the contractual restrictions relating to the above noted finance leases, there are no other restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Land	-	-	-	-	-	-
Buildings	-	-	-	-	-	-
Building Improvements	4,909,303	(1,301,832)	3,607,471	4,988,494	(1,289,840)	3,698,654
Furniture and Equipment	1,080,174	(555,852)	524,322	1,810,068	(1,320,327)	489,741
Information and Communication Technology	1,125,627	(712,447)	413,180	2,594,967	(2,160,345)	434,622
Motor Vehicles	-	-	-	120,580	(120,580)	-
Textbooks	139,609	(124,151)	15,458	390,112	(340,982)	49,130
Leased Assets	1,503,211	(916,341)	586,870	849,624	(731,962)	117,662
Library Resources	135,461	(102,966)	32,495	199,540	(160,329)	39,211
Work in Progress	(128,106)	-	(128,106)	-	-	-
Balance at 31 December	8,765,279	(3,713,589)	5,051,690	10,953,385	(6,124,365)	4,829,020

12. Intangible Assets

The School's Intangible Assets are made up of acquired computer software.

	Acquired software	Internally generated software	Total \$
Cost			
Balance at 1 January 2021	63,428		63,428
Additions	507		507
Balance at 31 December 2020 / 1 January 2022	63,935		63,935
Additions	4,188		4,188
Balance at 31 December 2022	68,123		68,123
Accumulated Amortisation and impairment losses			
Balance at 1 January 2021	34,941		34,941
Amortisation expense	52		52
Balance at 31 December 2021 / 1 January 2022	34,993		34,993
Amortisation expense	6,238		6,238
Balance at 31 December 2022	41,231		41,231
Carrying amounts			
At 1 January 2021	28,487		28,487
At 31 December 2021 / 1 January 2022	28,942		28,942
At 31 December 2022	26,892		26,892

13. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	307,169	388,196	388,196
Accruals	18,130	11,770	11,770
Employee Entitlements - Salaries	909,457	354,953	354,953
Employee Entitlements - Leave Accrual	60,261	87,529	87,529
	1,295,017	842,448	842,448
Payables for Exchange Transactions	1,295,017	842,448	842,448
	1,295,017	842,448	842,448

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Grants in Advance - Ministry of Education	-	56,413	56,413
Other Revenue in Advance	70,227	15,650	15,650
	70,227	72,063	72,063

15. Provision for Cyclical Maintenance

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	91,260	91,260	79,632
Increase to the Provision During the Year	101,433	100,000	101,433
Use of the Provision During the Year	(81,274)	-	(89,805)
Provision at the End of the Year	<u>111,419</u>	<u>191,260</u>	<u>91,260</u>
Cyclical Maintenance - Current	40,561	40,561	40,561
Cyclical Maintenance - Non current	70,858	150,699	50,699
	<u>111,419</u>	<u>191,260</u>	<u>91,260</u>

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

16. Finance Lease Liability

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	298,083	100,818	100,818
Later than One Year and no Later than Five Years	374,616	180,853	180,853
Future Finance Charges	(57,024)	(5,490)	(5,490)
	<u>615,675</u>	<u>276,181</u>	<u>276,181</u>
Represented by:			
Finance lease liability - Current	261,546	95,328	95,328
Finance lease liability - Non-current	354,129	180,853	180,853
	<u>615,675</u>	<u>276,181</u>	<u>276,181</u>

17. Funds Held for Capital Works Projects

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

2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
O Block refurbishment	(7,999)	-	-	-	(7,999)
H Block	(7,416)	-	-	-	(7,416)
10YPP	10,210	-	-	-	10,210
Boiler pipework	1,516	-	-	-	1,516
Block JB Gym Floor	4,149	-	-	-	4,149
Block B Carpet Replacement	1,500	-	-	-	1,500
Roofing Replacement	19,650	-	-	-	19,650
Block A refurbishment	73,027	-	-	-	73,027
Block M/TD reline walls	3,224	-	-	-	3,224
Electrical upgrades	8,392	-	-	-	8,392
Drainage Works	5,374	-	-	-	5,374
ECE & TPU upgrade	(15,460)	-	-	-	(15,460)
C Block upgrade	6,188	-	(3,429)	-	2,759
SIP:Staffroom refurbishment	(96,927)	340,000	(524,282)	-	(281,209)
5YA Staffroom refurbishment	135,886	-	-	-	135,886
Block G, F & SB refurbishment	(19,636)	-	(8,458)	-	(28,094)
Puutake Shade Sails	(45,425)	-	-	-	(45,425)
Deans Offices & Seminar Room	(1,458)	-	-	-	(1,458)
Stage upgrade	(5,182)	-	-	-	(5,182)
Totals	69,613	340,000	(536,169)	-	(126,556)

Represented by:

Funds Held on Behalf of the Ministry of Education	265,687
Funds Receivable from the Ministry of Education	(392,243)

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
O Block refurbishment	(7,999)	-	-	-	(7,999)
H Block	(7,416)	-	-	-	(7,416)
10YPP	10,210	-	-	-	10,210
Boiler pipework	1,516	-	-	-	1,516
Block JB Gym Floor	4,149	-	-	-	4,149
Block B Carpet Replacement	1,500	-	-	-	1,500
Roofing Replacement	19,640	10	-	-	19,650
Block A refurbishment	73,027	-	-	-	73,027
Block M/TD reline walls	3,224	-	-	-	3,224
Electrical upgrades	8,392	-	-	-	8,392
Drainage Works	5,374	-	-	-	5,374
ECE & TPU upgrade	(13,511)	-	(1,949)	-	(15,460)
C Block upgrade	2,786	3,429	(27)	-	6,188
SIP:Staffroom refurbishment	33,668	125,000	(255,595)	-	(96,927)
5YA Staffroom refurbishment	-	142,134	(6,248)	-	135,886
Block G, F & SB refurbishment	-	35,000	(54,636)	-	(19,636)
Puutake Shade Sails	-	-	(45,425)	-	(45,425)
Deans Offices & Seminar Room	-	-	(1,458)	-	(1,458)
Stage upgrade	-	-	(5,182)	-	(5,182)
Totals	134,560	305,573	(370,520)	-	69,613

Represented by:

Funds Held on Behalf of the Ministry of Education	269,116
Funds Receivable from the Ministry of Education	(199,503)

18. Funds Held on Behalf of the Alternative Education Cluster

James Cook High School was the lead school and holds funds on behalf of the Counties - Manukau Alternative Education cluster, a group of schools funded by the Ministry of Education.

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Funds Held at Beginning of the Year	533,008	533,008	517,492
Funds Received from Cluster Members	33,092	-	-
Funds Received from MoE	1,931,410	-	2,047,811
Funds Spent on Behalf of the Cluster	(1,827,296)	-	(2,032,295)
Funds Held at Year End	<u>670,214</u>	<u>533,008</u>	<u>533,008</u>

19. Funds Held on Behalf of the Teen Parent Unit

The school's Teen Parent Unit is a separate business unit of the school in accordance with the agreement with the Ministry of Education. The revenue and expenditure is included in the school's Statement of Revenue and Expense. During the year the funds were spent on employee benefit expenses, administration and property management expenses.

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Funds Held at Beginning of the Year	95,171	95,171	81,683
Funds Received from Cluster Members	-	-	-
Funds Received from MoE	143,765	-	156,195
Funds Spent on Behalf of the Cluster	(143,908)	-	(142,707)
Funds Held at Year End	<u>95,028</u>	<u>95,171</u>	<u>95,171</u>

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 includes all trustees of the Board, Principal, Deputy Principals and Business Manager.

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	8,170	7,278
<i>Leadership Team</i>		
Remuneration	1,066,850	913,309
Full-time equivalent members	7	6
Total key management personnel remuneration	1,075,020	920,587

There are six members of the Board excluding the Principal. The Board held ten full meetings of the Board in the year. The Board also has Finance and Property members that meet monthly. 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:

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	0 - 0	220 - 230
Benefits and Other Emoluments	0 - 0	30 - 40
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	15.00	10.00
110 - 120	7.00	6.00
120 - 130	2.00	2.00
130 - 140	5.00	4.00
	29.00	22.00

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 trustees, committee member, 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:

	2022 Actual \$	2021 Actual \$
Total	-	-
Number of People	-	-

23. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

24. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has not entered into any contract agreements for capital works.

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

(a) SIP and 5YA contracts to upgrade various facilities as agent for the Ministry of Education. These projects are fully funded by the Ministry with \$340,000 received and \$536,169 spent in the current year.

(Capital commitments in relation to Ministry projects at 31 December 2021: \$69,613)

(b) Operating Commitments

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

(Operating commitments at 31 December 2021: nil)

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

	2022	2022 Budget	2021
	Actual	(Unaudited)	Actual
	\$	\$	\$
Cash and Cash Equivalents	596,109	1,780,469	1,245,388
Receivables	1,117,191	259,301	259,301
Investments - Term Deposits	1,108,437	1,103,490	1,103,490
Total Financial assets measured at amortised cost	<u>2,821,737</u>	<u>3,143,260</u>	<u>2,608,179</u>

Financial liabilities measured at amortised cost

Payables	1,295,017	842,448	842,448
Borrowings - Loans	-	-	-
Finance Leases	615,675	276,181	276,181
Painting Contract Liability	-	-	-
Total Financial liabilities measured at amortised Cost	<u>1,910,692</u>	<u>1,118,629</u>	<u>1,118,629</u>

26. Events After Balance Date

Subsequent events – extreme weather events

During February 2023 the North Island of New Zealand was struck by several extreme weather events which resulted in widespread flooding, road closures, slips, and prolonged power and water outages for many communities in the Northland, Auckland, Coromandel, Bay of Plenty, Gisborne, and Hawkes Bay/Tairāwhiti regions.

While many schools were able to reopen soon after the extreme weather events, some schools have remained closed for a prolonged period.

No significant impacts

The damage caused by extreme weather events in the Auckland region and the full financial impact has not yet been determined, but it is not expected to be significant to the school. The school continued to receive funding from the Ministry of Education, even while closed.

27. Comparatives

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