

Parkvale School

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021



School Directory

Ministry Number: 2641
Principal: Mark Gifkins
School Address: Howard Street, Hastings
School Postal Address: Howard Street, Hastings
School Phone: 06 878 6616
School Email: admin@parkvale.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/Expires
Rebecca Pope	Presiding Member	Elected Unopposed	Feb 2023
Mark Gifkins	Principal ex Officio	Appointed Jan 2002	
Linda Rose	Member of Staff	Re-Elected 10/6/19	Mar 2022
Kerry Henderson	Member	Newly Elected June 2019	Jun 2022
Scott MacLean	Member	Newly Elected June 2019	Jun 2022
Aaron Barrett	Member	Newly Appointed 29/07/20	Jun 2023

Accountant / Service Provider: Eclypse Solutions 4 Schools Ltd

Parkvale School

Annual Report - For the year ended 31 December 2021

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Parkvale 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.

REBECCA POPE

Full Name of Presiding Member

MARK GIFFKINS

Full Name of Principal



Signature of Presiding Member



Signature of Principal

14 April 2022

Date:

14 April 2022

Date:

Parkvale 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	3,860,887	3,939,576	4,048,436
Locally Raised Funds	3	139,193	125,200	130,670
Interest Income		2,094	4,000	6,704
Other Revenue		1,140	-	-
		4,003,314	4,068,776	4,185,810
Expenses				
Locally Raised Funds	3	50,319	45,300	51,539
Learning Resources	4	3,000,161	3,039,198	2,973,824
Administration	5	173,265	172,913	169,883
Finance		7,070	8,041	7,497
Property	6	540,762	669,243	648,499
Depreciation	11	150,907	145,000	146,011
Loss on Disposal of Property, Plant and Equipment		1,772	-	1,845
Transport		5,660	6,000	688
		3,929,916	4,085,695	3,999,786
Net Surplus / (Deficit) for the Year		73,398	(16,919)	186,024
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		73,398	(16,919)	186,024

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

Parkvale 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		993,268	955,000	796,489
Total Comprehensive Revenue and Expense for the Year		73,398	(16,919)	186,024
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	10,755
Equity at 31 December		1,066,666	938,081	993,268

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.

Parkvale 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	376,727	178,002	434,034
Accounts Receivable	8	255,796	162,000	176,251
GST Receivable		23,011	9,000	28,182
Prepayments		11,515	10,000	13,465
Inventories	9	22,206	20,000	19,478
Investments	10	300,000	200,000	-
		989,255	579,002	671,410
Current Liabilities				
Accounts Payable	12	230,233	192,000	217,981
Revenue Received in Advance	13	64,875	8,000	14,550
Provision for Cyclical Maintenance	14	3,245	-	-
Finance Lease Liability	15	49,488	60,000	57,073
Funds Held for Capital Works Projects	16	141,492	-	38,724
Funds Held on Behalf of Hastings East Combined Kahui Ako	17	6,325	-	-
		495,658	260,000	328,328
Working Capital Surplus/(Deficit)		493,597	319,002	343,082
Non-current Assets				
Property, Plant and Equipment	11	668,083	730,000	741,457
		668,083	730,000	741,457
Non-current Liabilities				
Provision for Cyclical Maintenance	14	60,921	60,921	41,965
Finance Lease Liability	15	34,093	50,000	49,306
		95,014	110,921	91,271
Net Assets		1,066,666	938,081	993,268
Equity		1,066,666	938,081	993,268

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

Parkvale 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		880,724	1,136,824	1,071,151
Locally Raised Funds		198,008	131,200	119,115
Goods and Services Tax (net)		5,171	(169)	(47,346)
Payments to Employees		(448,598)	(507,500)	(474,576)
Payments to Suppliers		(393,901)	(431,699)	(361,518)
Interest Paid		(7,070)	(8,041)	(7,497)
Interest Received		1,369	4,898	7,651
Net Cash from/(to) Operating Activities		235,703	325,513	306,980
Cash Flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(43,405)	(375,000)	(102,724)
Purchase of Investments		(300,000)	(80,000)	-
Proceeds from Sale of Investments		-	-	138,430
Net Cash from/(to) Investing Activities		(343,405)	(455,000)	35,706
Cash Flows from Financing Activities				
Furniture and Equipment Grant		-	-	10,755
Finance Lease Payments		(58,698)	245,000	(59,996)
Funds Administered on Behalf of Third Parties		109,093	-	(209,284)
Net Cash from/(to) Financing Activities		50,395	245,000	(258,525)
Net Increase/(Decrease) in Cash and Cash Equivalents		(57,307)	115,513	84,161
Cash and Cash Equivalents at the Beginning of the Year	7	434,034	62,489	349,873
Cash and Cash Equivalents at the End of the Year	7	376,727	178,002	434,034

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.

Parkvale School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Parkvale 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.

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

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) 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.

e) 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.

f) 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.

g) Inventories

Inventories are consumable items held for sale and comprised of stationery, school uniforms and young leaders canteen. 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.

h) 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.

i) 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	0 - 40 years
Furniture and Equipment	5 - 50 years
Information and Communication Technology	5 years
Motor Vehicles	5 years
Leased Assets	Term of Lease
Library Resources	12.5% Diminishing value

j) 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.

k) 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.

l) 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.

m) 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.

n) 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.

o) Provision for Cyclical Maintenance

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

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

p) Financial Instruments

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

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

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

q) Borrowings

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

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

r) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

u) Services Received In-Kind

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

2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	869,145	875,467	905,232
Teachers' Salaries Grants	2,584,408	2,530,998	2,530,998
Use of Land & Buildings Grants	322,205	446,287	446,287
Other MoE Grants	85,129	81,824	158,485
Other Government Grants	-	5,000	7,434
	3,860,887	3,939,576	4,048,436

The school has opted in to the donations scheme for this year. Total amount received was \$79,650.

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	45,737	64,500	63,301
Curriculum Related Activities - Purchase of Goods and Services	-	-	24
Fees for Extra Curricular Activities	9,600	7,000	6,938
Trading	48,587	41,000	46,532
Fundraising & Community Grants	34,056	10,200	11,375
Other Revenue	1,213	2,500	2,500
	139,193	125,200	130,670
Expenses			
Extra Curricular Activities Costs	9,524	7,000	4,677
Trading	40,795	37,700	46,342
Fundraising & Community Grant Costs	-	600	520
	50,319	45,300	51,539
Surplus/(Deficit) for the Year Locally Raised Funds	88,874	79,900	79,131

4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	89,797	112,900	69,737
Equipment Repairs	3,516	5,000	8,195
Information & Communication Technology	6,376	6,500	7,057
Library Resources	929	1,800	669
Employee Benefits - Salaries	2,884,141	2,887,498	2,858,570
Staff Development	15,402	25,500	29,596
	3,000,161	3,039,198	2,973,824

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	5,716	4,943	4,803
Board Fees	4,290	7,000	5,030
Board Expenses	14,446	13,000	13,106
Communication	3,292	3,500	3,031
Consumables	34,579	28,600	33,700
Other	8,038	12,650	6,221
Employee Benefits - Salaries	86,973	84,000	86,764
Insurance	5,711	9,000	7,008
Service Providers, Contractors & Consultancy	10,220	10,220	10,220
	<u>173,265</u>	<u>172,913</u>	<u>169,883</u>

6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	13,846	17,200	14,645
Consultancy and Contract Services	43,427	40,000	42,901
Cyclical Maintenance Provision	22,201	23,456	20,531
Grounds	8,236	8,800	6,825
Heat, Light and Water	30,755	31,500	26,497
Repairs and Maintenance	32,918	31,500	26,498
Use of Land & Buildings	322,205	446,287	446,287
Security	4,094	3,500	3,039
Employee Benefits - Salaries	63,080	67,000	61,276
	<u>540,762</u>	<u>669,243</u>	<u>648,499</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	376,727	178,002	134,034
Short-term Bank Deposits	-	-	300,000
Cash and Cash Equivalents for Statement of Cash Flows	<u>376,727</u>	<u>178,002</u>	<u>434,034</u>

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

Of the \$376,727 Cash and Cash Equivalents, \$141,492 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 \$376,727 Cash and Cash Equivalents, \$53,204 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent. If these requirements are not met, the funds will need to be returned.

Of the \$376,727 Cash and Cash Equivalents, \$6,325 is held by the School on behalf of the Hastings East Combined Kahui Ako 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	1,218	-	8,568
Interest Receivable	813	-	88
Banking Staffing Underuse	73,550	-	-
Teacher Salaries Grant Receivable	180,215	162,000	167,595
	<u>255,796</u>	<u>162,000</u>	<u>176,251</u>
Receivables from Exchange Transactions	2,031	-	8,656
Receivables from Non-Exchange Transactions	253,765	162,000	167,595
	<u>255,796</u>	<u>162,000</u>	<u>176,251</u>

9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	9,230	8,000	7,121
School Uniforms	12,672	12,000	11,914
Young Leaders	304	-	443
	<u>22,206</u>	<u>20,000</u>	<u>19,478</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	300,000	200,000	-
Total Investments	300,000	200,000	-

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Buildings & Improvements	232,891	6,280	-	-	(12,436)	226,735
Furniture & Equipment	286,697	30,868	(3,296)	-	(61,148)	253,121
Information & Communication Technology	12,471	-	(1)	-	(4,569)	7,901
Motor Vehicles	31,916	-	-	-	(6,603)	25,313
Leased Assets	104,983	35,901	(157)	-	(60,046)	80,681
Library Resources	72,499	7,938	-	-	(6,105)	74,332
Balance at 31 December 2021	741,457	80,987	(3,454)	-	(150,907)	668,083

The net carrying value of equipment held under a finance lease is \$80,681 (2020: \$104,983)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Buildings & Improvements	424,881	(198,146)	226,735	418,601	(185,710)	232,891
Furniture & Equipment	634,299	(381,178)	253,121	701,671	(414,974)	286,697
Information & Communication Technology	22,847	(14,946)	7,901	22,847	(10,376)	12,471
Motor Vehicles	33,017	(7,704)	25,313	33,017	(1,101)	31,916
Leased Assets	211,241	(130,560)	80,681	208,952	(103,969)	104,983
Library Resources	126,655	(52,323)	74,332	118,717	(46,218)	72,499
Balance at 31 December	1,452,940	(784,857)	668,083	1,503,805	(762,348)	741,457

12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	42,402	30,000	43,671
Accruals	4,516	-	4,803
Employee Entitlements - Salaries	180,215	162,000	167,595
Employee Entitlements - Leave Accrual	3,100	-	1,912
	<u>230,233</u>	<u>192,000</u>	<u>217,981</u>
Payables for Exchange Transactions	230,233	192,000	217,981
	<u>230,233</u>	<u>192,000</u>	<u>217,981</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Other Revenue in Advance	64,875	8,000	14,550
	<u>64,875</u>	<u>8,000</u>	<u>14,550</u>

14. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	41,965	41,965	21,434
Increase/ (decrease) to the Provision During the Year	22,201	23,456	20,531
Use of the Provision During the Year	-	(4,500)	-
Provision at the End of the Year	<u>64,166</u>	<u>60,921</u>	<u>41,965</u>
Cyclical Maintenance - Current	3,245	-	-
Cyclical Maintenance - Term	60,921	60,921	41,965
	<u>64,166</u>	<u>60,921</u>	<u>41,965</u>

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	49,488	63,000	57,073
Later than One Year and No Later than Five Years	39,620	54,600	60,430
Future Finance Charges	(5,527)	(7,600)	(11,124)
	<u>83,581</u>	<u>110,000</u>	<u>106,379</u>
Represented by			
Finance Lease Liability - Current	49,488	60,000	57,073
Finance Lease Liability - Term	34,093	50,000	49,306
	<u>83,581</u>	<u>110,000</u>	<u>106,379</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 \$
Blocks G G H ILE, Block E Electrical and Block P Roof - 205911	42,650	47,963	(90,613)	-	-
Pool Filtraton Remediation - 221202	(3,926)	9,251	(5,325)	-	-
SIP Site Court Shade Structure - 221201	-	207,343	(65,851)	-	141,492
Totals	<u>38,724</u>	<u>264,557</u>	<u>(161,789)</u>	<u>-</u>	<u>141,492</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	141,492
Funds Due from the Ministry of Education	-
	<u>141,492</u>

2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Blocks G G H ILE, Block E Electrical and Block P Roof - 205911	248,007	48,304	(253,661)	-	42,650
A,I:Floor coverings replacement - 221197	-	16,489	(16,489)	-	-
B: Heating Remediation - 221200	-	14,730	(14,730)	-	-
Block C Leak - Insurance	-	6,906	(6,906)	-	-
Pool Filtraton Remediation - 221202	-	76,500	(80,426)	-	(3,926)
Totals	<u>248,007</u>	<u>162,929</u>	<u>(372,212)</u>	<u>-</u>	<u>38,724</u>

17. Funds Held on Behalf of The Hastings East Combined Kahui Ako

Parkvale School is the joint lead school and holds funds on behalf of the Hastings East Combined Kahui Ako cluster, a group of schools funded by the Ministry.

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held at Beginning of the Year	-	-	-
Funds Transferred from 2020 Accounts Payable	1,526	-	-
Funds Received from MoE	5,464	-	-
Total Funds Received	6,990	-	-
Funds Spent on Behalf of the Cluster	665	-	-
Funds Remaining	6,325	-	-
Funds Held at Year End	6,325	-	-

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	4,290	5,030
<i>Leadership Team</i>		
Remuneration	415,749	472,657
Full-time Equivalent Members	3.00	4.00
Total Key Management Personnel Remuneration	420,039	477,687

There are 5 members of the Board excluding the Principal. The Board had held 9 full meetings of the Board in the year. The Board also has Finance (2 members) and Property (2 members) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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	170 - 180	170 - 180
Benefits and Other Emoluments	4 - 5	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	4	2
110 - 120	2	2
120 - 130	1	-
	<u>7</u>	<u>4</u>

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	\$0
Number of People	-	-

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021 (Contingent liabilities and assets at 31 December 2020: \$9,331).

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:

(a) \$260,306 contract for SIP - Site: Court Shade Structure as agent for the Ministry of Education. The project is partially funded by the Ministry and \$207,343 has been received of which \$65,851 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2020: \$93,924)

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	376,727	178,002	434,034
Receivables	255,796	162,000	176,251
Investments - Term Deposits	300,000	200,000	-
Total Financial Assets Measured at Amortised Cost	932,523	540,002	610,285

Total Financial Liabilities Measured at Amortised Cost

Payables	230,233	192,000	217,981
Finance Leases	83,581	110,000	106,379
Total Financial Liabilities Measured at Amortised Cost	313,814	302,000	324,360

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.

26. COVID 19 Pandemic Ongoing Implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

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

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on Operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry of Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Reduction in Locally Raised Funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

Increased Remote Learning Additional Costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.

27. Breach of Legislation

Under Section 160 of the Education and Training Act 2020, the Board of Trustees may not acquire an interest in land, or any licence to occupy any land or premises, without the consent of the Minister. The Board has entered into a lease for land adjoining the school. There has been no monetary or product exchange between both parties under this agreement which runs for three years ending on 31 December 2021. As this lease is considered to be included in the scope of section 160 the board have therefore breached this section.

Parkvale School

Kiwisport Report

For the year ended 31 December 2021

During the year the Board was the recipient of additional Government funding for specific purposes:

Kiwisport is a Government funded initiative to support students' participation in organised sport. In 2021 the school received total Kiwisport funding of \$7,102 (excluding GST). The funding was put towards a range of sports equipment to resource the school to support and initiate student participation in a variety of sports.

The number of students participating in organised sport continues to be at excellent levels.

Analysis of Variance Reporting



School Name:	Parkvale School	School Number:	2641
Strategic Aims with direct links to learner outcomes:	<p style="text-align: center;">Student Agency and Authentic Learning To grow powerful ākonga who enhance their own educational pathways</p> <p style="text-align: center;">Culturally Responsive Pedagogy To grow culturally responsive practices that value the haurua of all ākonga</p>		
<u>Annual Aims</u> Sub goals: Formative Practice Structured Literacy	<p><u>Formative Assessment Pedagogy</u></p> <p><i>Learners</i></p> <ul style="list-style-type: none"> ➤ Use FP and BLP to strengthen Student Agency <p><i>Teachers</i></p> <ul style="list-style-type: none"> ➤ With the support of an external provider reintroduce and strengthen our understanding and application of 'Formative Assessment' tools - (creating a culture of FP) to provide for student agency and challenge ➤ Set teacher goals to strengthen a key 'Formative Practice' tool. <p><i>Leaders</i></p> <ul style="list-style-type: none"> ➤ Look to refine and re-establish teacher rubric of Formative Practice Pedagogy <p><u>Structured Literacy</u></p> <p><i>Learners</i></p> <ul style="list-style-type: none"> ➤ Use Structured Literacy strategies to strengthen their decoding and encoding strategies <p><i>Teachers</i></p> <ul style="list-style-type: none"> ➤ Year 1 teachers - deliver the teaching of reading through the structured literacy programme ➤ branch meetings provide the vehicle for conundrum focussed dialogue ➤ Year 2 and 3 teachers will teach those children requiring a structured literacy programme <p><i>Leaders</i></p> <ul style="list-style-type: none"> ➤ Further develop a teacher rubric for Structured Literacy Pedagogy ➤ Develop a writing rubric to reflect progression of writing skills through structured literacy stages. 		

Tātaritanga raraunga

Target:

Through focus on our above goals we want to increase the number of ākonga achieving at or above the Parkvale Expectations

Reading

- To increase the number of students reading at or above the Parkvale Expectation in reading
- To increase the number of Maori learners achieving at the Parkvale Expectation in reading

Writing

- To increase the number of students writing at or above the Parkvale Expectation in writing
- To increase the number of Maori learners achieving at the Parkvale Expectation in writing

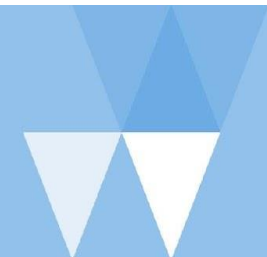
Maths

- To increase the number of students at or above the Parkvale Expectation in maths
- To increase the number of Maori learners achieving at the Parkvale Expectation in maths

Data Comparing 2020 with 2021 data for all year cohorts

Baseline Data:

	Reading		Writing		Maths	
	2020	2021	2020	2021	2020	2021
Year 1	44%	71%	86%	69%	54%	64%
Maori Year 1	23%	52%	77%	48%	59%	48%
Year 2	55%	67%	71%	57%	51%	59%
Maori Year 2	45%	45%	68%	50%	35%	50%
Year 3	72%	74%	66 / 24 - 90%	57 / 24 - 81%	58%	54%
Maori Year 3	80%	61%	65 / 24 - 89%	47 / 24 - 71%	50%	39%
Year 4	83%	74%	31 / 24 - 55%	58 / 24 - 82%	60%	54%
Maori Year 4	81%	89%	23 / 24 - 44%	59 / 24 - 83%	66%	53%
Year 5	80%	79%	45 / 24 - 69%	41 / 24 - 65%	62%	64%



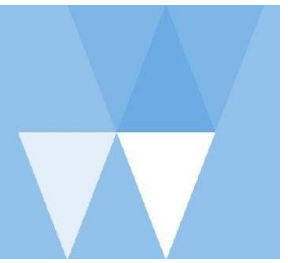
Tātaritanga raraunga

Maori Year 5	82%	57%	50 / 24 - 74%	26 / 24 - 50%	71%	57%
Year 6	70%	78%	48 / 24 - 72%	46 / 24 - 70%	53%	71%
Maori Year 6	52%	81%	42 / 24 - 66%	58 / 19 - 77%	42%	77%

2020 and 2021 have challenged schools in a range of ways where teachers, leaders and ākonga have had to adapt to 'new norms'. Obviously Covid 19 at differing times has had a significant impact on classroom practice – children being absent and then on return teachers modifying their programmes.

2021's mid-year predictions did paint a 'prettier' picture than the actual end of the year data. Although we were looking for greater gains that we saw - teachers are confident that our ākonga are becoming more inclined to 'catch the gaps'.

In the Iti (Junior school - Yrs 1 - 3)

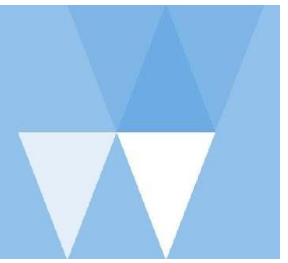


Tātaritanga raraunga

- ★ We haven't reached targets but what we have been able to achieve is progress for cohorts from where they were at the end of 2020. We always knew it was going to take time to catch some groups and sub-groups up. So although our data on first inspection does not look positive, there are many positives to come out of it. We will continue in our efforts to catch our children up as they move into 2022 and beyond
- ★ Both children and teachers within the junior school are seeing a big shift in both achievement and attitude towards literacy using a structured literacy approach - direct link to our Professional Development focus. We are at a place of realising that the more we learn the more we don't know. We have scratched the surface of how we can improve outcomes for children and look forward to continuing the journey next year.
- ★ Across the Iti Maori data is lower than NZ/European. What is interesting about this year's data is that the gap between Maori and NZ/European is not growing from year to year. Both cohorts have achieved similar growth. What we have been unable to do is close the gap by accelerating our Maori students by more than a year's growth in a year. It is with hope and a sense of anticipation that we look to our PLD for the start of next year around Te Reo and Tikanga. The more we can embrace and value our Maori students' perspectives, values and language the more we hope to engage them.

In the Nui (Senior School - Yrs 4 - 6)

- ★ We are close to our targets however not quite meeting them across the board - have met a few within sub-cohorts. What is positive is there has been positive shifts in cohort data from years end to years end - not massive but progress all the same
- ★ Teachers are bringing formative practice back to the forefront of the practice and continue to undertake their 'teaching as inquiry' to impact learner outcomes whilst our ākonga are more aware of their learning needs and are beginning to use criteria again to help them revise and reflect on their own learning.
- ★ Through conundrum based dialogue our teachers continue to isolate issues and look for solutions by problem-solving dialogue and sharing expertise
- ★ We have reintroduced more writing by hand for 2022 to help with cross brain learning whilst looking at the mismatch between writing and reading data



Tātaritanga raraunga

- ★ We continue to keep hold of what we value and believe in - it is about the whole child, their soft skill development, learning in meaningful contexts and together we will be able to move these kids forward and close the gaps that have developed throughout different groups for varying reasons.

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>FORMATIVE ASSESSMENT PEDAGOGY</p> <ul style="list-style-type: none"> ➤ With the support of an external provider reintroduce and strengthen our understanding and application of 'Formative Assessment' tools - (creating a culture of FP) to provide for student agency and challenge ➤ Set teacher goals to strengthen a key 'Formative Practice' tool. ➤ Look to refine and re-establish teacher rubric of FP ➤ Use FP and BLP to strengthen Student Agency 	<ul style="list-style-type: none"> ➤ teachers reintroduced and focussed on learners 'knowing' the why of learning and what learning looks like - breaking learning into success criteria and using self and peer assessment to reflect on learning outcomes ➤ teachers set goals along the DP and these became the focus of TIA, C&M dialogue and conundrums presented in Branch meetings ➤ Leaders with the input from Bex's external provider made a rubric for teachers to self assess their progress against ➤ teachers have been able to build and mould formative practice to include BLP - students becoming very articulate with BLP use 	<ul style="list-style-type: none"> ➤ Variance in data has occurred but not a direct result of Formative Practice development - some of the variance has been related to teacher practice and content knowledge along with some complex learning needs within cohorts. Each cohort has between 10 and 20% experiencing learning difficulty so it has seen us look into introducing 'The Code' that works along Structured literacy to the seniors to help our learners with encoding and decoding. Along with this in the area of maths we are looking at strengthening our understanding and use of mathematical vocab whilst ensuring our children are making links and verbalising / reasoning between knowledge and strategy 	<p>2022</p> <ul style="list-style-type: none"> ➤ continue formative practice development through coaching and mentoring programmes and Branch conundrum based dialogue ➤ use the formative practice rubric to help with teachers forming next steps

Tātaritanga raraunga

STRUCTURED LITERACY

- Year 1 - deliver the teaching of reading through the structured literacy programme - branch meetings provide the vehicle for conundrum focussed dialogue
- Year 2 and 3 teach a target group using the structured literacy programme

- Teachers have used a structured literacy approach to teach all Year 0 and 1 children and specific groups of Year 2 and 3 learners.
- Start of year and end of year testing carried out to measure starting points for children (for both 2021 and 2022) and to measure progress made.
- Teacher knowledge and skills in teaching through a SL approach have increased and TAI goals reflect this learning.
- Teacher SL rubric created.
- A review of where teachers sit on that rubric will start at the beginning of 2022.

- Variance in data shows improvements across most cohorts in literacy data, although not meeting our target. The effects of Covid lockdowns and absences from school have had an impact on student data and we are working to close gaps created.
- Teachers learning a new approach to teaching that varies greatly from established career practices has been a steep learning curve for some staff. Part of the year was spent learning to teach in this manner and how quickly to move children along to the next stage. Most teachers have reflected that they would like to move children along more quickly in the future now they are more familiar with the approach.

- teachers will continue with Christine Braid to refine practice and understanding of the Structured Literacy Programme
- Branch meetings and C&M will be vehicles to collaboratively problem-solve and have professional dialogue - also conundrum based discussions
- use the teacher rubric to help guide next steps
- Create and use writing rubric to assist with how writing progresses at early stages of structured literacy.

Tātaritanga raraunga

COACHING AND MENTORING

- | | | | |
|--|--|--|--|
| <ul style="list-style-type: none"> ➤ Structure Coaching and Mentoring programme to be led by and modelled to by 'Within School Leaders' to deepen understanding of PLD and discuss research findings ➤ Share conundrums ➤ Review Coaching and Mentoring programme | <ul style="list-style-type: none"> ➤ C & M has provided a framework for professional robust dialogue around our learning and our next steps. We have had the chance to view others practice and question to deepen our understanding of processes. - Formative Practice and Structured Literacy being a focus ➤ review of the C & M programme is underway and continues to the end of Term 2 in 2022 | <ul style="list-style-type: none"> ➤ C & M has provide a framework for teachers to share conundrums and to delve into trends within our data that are causing concern - from here we have made decisions about what is needed going forward - 'The Code' for encoding and decoding - finding that many readers are getting to Level 22 then plateauing due to encoding skills ➤ again not a direct impact on data but a platform for teachers to address some of the trends and make changes to practice through dialogue and research | <ul style="list-style-type: none"> ➤ C & M will continue in Branch collaborative groups and focus on strengthening formative practice and structured literacy - also the introduction of 'The Code' across the Nui classes and Year 4 teachers having PLD in teaching structured literacy reading groups. |
|--|--|--|--|

Planning for Next Year

It is about getting Branch leaders around the table and pinpointing - being critically reflective, open, brutally honest for the betterment of all. We have lots on the table; muddy points - confusions of what learning looks like at different levels, deliberate teaching - how much is too much, not enough and timetables and what are critical parts of the Parkvale culture that we can and can't change or adapt, to name a few.

Targeted support of PLD for 2022

- All staff undertaking Te Tōku Tūroa learning through Ngāti Kahungunu - increasing the understanding and use of Te Reo and Tikanga
- Structured Literacy across Years 0 -3 – teachers working alongside an external facilitator
- Structured Literacy for Year 4 teachers – teachers working alongside an external facilitator
- The Code – teachers working alongside an external facilitator
- Sustaining Formative Assessment Pedagogy

All teachers will engage in the internal Coaching and Mentoring programme that also sits along Conundrum focus dialogue groups and TAI's.

We will continue to evaluate the impact of C & M and refine any changes recommended.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PARKVALE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Parkvale School (the School). The Auditor-General has appointed me, Philip Pinckney, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 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 Standards, Reduced Disclosure Regime.

Our audit was completed on 14 April 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 for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

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

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information obtained at the date of our report is the Analysis of Variance, the Kiwisport statement, list of trustees and Statement of Responsibility, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Philip Pinckney
Baker Tilly Staples Rodway Audit Limited
On behalf of the Auditor-General
Hastings, New Zealand