

PARKSIDE CHRISTIAN S D A SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



PARKSIDE CHRISTIAN S D A SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	4107
Principal:	Belinda Bestel
School Address:	135 Tait Drive, Napier
School Postal Address:	P. O. Box 5085, napier 4145
School Phone:	06-8448401
School Email:	office@parkside.school.nz

Accountant / Service Provider:



Auditor:

Silks Audit



Parkside Christian S D A 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.

Bruce Owen Mason

Full Name of Presiding Member

Sandra Jarianne Connor

Full Name of Principal (Acting Principal)

BOMason

Signature of Presiding Member

Sandra J Connor

Signature of Principal

31 May 2023

Date:

31 May 2023

Date:

Parkside Christian Adventist School
135 Tait Drive
Po Box 5085
Napier 4145

PARKSIDE CHRISTIAN S D A SCHOOL

Annual Report - For the year ended 31 December 2022

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Parkside Christian S D A School

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Full Name of Presiding Member

Full Name of Principal

Signature of Presiding Member

Signature of Principal

31 May 2023
Date:

31 May 2023
Date:

Parkside Christian S D A School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	420,597	357,400	386,866
Locally Raised Funds	3	1,495	1,600	1,351
Use of Proprietor's Land and Buildings		84,642	135,427	84,642
Interest Income		752	300	91
Total Revenue		507,486	494,727	472,950
Expenses				
Locally Raised Funds	3	6,214	3,920	2,657
Learning Resources	4	299,665	287,500	292,813
Administration	5	72,139	37,975	66,355
Finance		474	360	754
Property	6	125,289	164,967	114,155
Loss on Disposal of Property, Plant and Equipment		-	-	131
		503,781	494,722	476,865
Net Surplus / (Deficit) for the year		3,705	5	(3,915)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		3,705	5	(3,915)

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

Parkside Christian S D A School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		163,028	154,816	159,547
Total comprehensive revenue and expense for the year		3,705	5	(3,915)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		1,404	-	7,396
Equity at 31 December		168,137	154,821	163,028

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.

Parkside Christian S D A School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	177,925	161,506	162,006
Accounts Receivable	8	21,272	24,842	23,067
Prepayments		848	1,415	1,415
Inventories	9	1,042	230	230
		201,087	187,993	186,718
Current Liabilities				
GST Payable		2,267	1,337	1,336
Accounts Payable	11	26,024	30,672	26,823
Revenue Received in Advance	12	1,900	-	-
Finance Lease Liability	14	2,538	2,538	3,061
		32,729	34,547	31,220
Working Capital Surplus/(Deficit)		168,358	153,446	155,498
Non-current Assets				
Property, Plant and Equipment	10	23,029	13,575	22,268
		23,029	13,575	22,268
Non-current Liabilities				
Provision for Cyclical Maintenance	13	21,550	10,500	10,500
Finance Lease Liability	14	1,700	1,700	4,238
		23,250	12,200	14,738
Net Assets		168,137	154,821	163,028
Equity		168,137	154,821	163,028

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

Parkside Christian S D A School

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		138,900	141,400	127,132
Locally Raised Funds		1,495	1,600	1,351
Goods and Services Tax (net)		931	375	60
Payments to Employees		(66,243)	(69,558)	(74,070)
Payments to Suppliers		(55,680)	(71,858)	(48,869)
Interest Paid		(474)	(360)	(754)
Interest Received		2,579	(1,527)	(1,736)
Net cash from/(to) Operating Activities		21,508	72	3,114
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(4,896)	(2,000)	(3,047)
Net cash from/(to) Investing Activities		(4,896)	(2,000)	(3,047)
Cash flows from Financing Activities				
Furniture and Equipment Grant		1,404	-	1,084
Finance Lease Payments		(2,097)	(2,768)	(4,069)
Net cash from/(to) Financing Activities		(693)	(2,768)	(2,985)
Net increase/(decrease) in cash and cash equivalents		15,919	(4,696)	(2,918)
Cash and cash equivalents at the beginning of the year	7	162,006	166,202	164,924
Cash and cash equivalents at the end of the year	7	177,925	161,506	162,006

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.

Parkside Christian S D A School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Parkside Christian S D A 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 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 expense 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 13.

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 10.

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 14.

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.

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 Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the 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.

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) Property, Plant and Equipment

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

Improvements to buildings owned by the Proprietor 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
Board Owned Buildings	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

j) 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.

k) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

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

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

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

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.

l) Accounts Payable

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

m) Employee Entitlements***Short-term employee entitlements***

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 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.

n) Revenue Received in Advance

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

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

o) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

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

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

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 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.

q) 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.

r) Budget Figures

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

s) 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 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	180,679	141,400	159,412
Teachers' Salaries Grants	239,918	216,000	227,454
	<u>420,597</u>	<u>357,400</u>	<u>386,866</u>

The school has opted in to the donations scheme for this year. Total amount received was \$5,100.

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	370	80	316
Fundraising & Community Grants	322	-	-
Trading	559	400	370
Fees for Extra Curricular Activities	244	1,120	665
	<u>1,495</u>	<u>1,600</u>	<u>1,351</u>
Expenses			
Extra Curricular Activities Costs	1,386	200	39
Trading	246	540	-
Fundraising and Community Grant Costs	-	-	42
Other Locally Raised Funds Expenditure	4,582	3,180	2,576
	<u>6,214</u>	<u>3,920</u>	<u>2,657</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>(4,719)</u>	<u>(2,320)</u>	<u>(1,306)</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	6,364	7,070	4,473
Equipment Repairs	319	380	353
Information and Communication Technology	3,122	6,400	3,930
Library Resources	295	250	257
Employee Benefits - Salaries	279,714	259,600	275,061
Staff Development	2,612	4,800	1,903
Depreciation	7,239	9,000	6,836
	<u>299,665</u>	<u>287,500</u>	<u>292,813</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	2,719	5,355	6,458
Board Fees	2,505	3,150	3,416
Board Expenses	1,022	1,400	-
Communication	898	1,300	1,273
Consumables	2,644	3,170	2,729
Operating Lease	-	1,200	-
Other	41,250	2,900	32,202
Employee Benefits - Salaries	15,977	13,000	15,153
Insurance	-	500	-
Service Providers, Contractors and Consultancy	5,124	6,000	5,124
	<u>72,139</u>	<u>37,975</u>	<u>66,355</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	2,106	2,690	2,604
Consultancy and Contract Services	-	-	569
Cyclical Maintenance Provision	11,050	3,500	3,500
Grounds	10,586	3,900	6,914
Heat, Light and Water	4,581	3,500	3,668
Rates	800	700	274
Repairs and Maintenance	250	2,150	772
Use of Land and Buildings	84,642	135,427	84,642
Security	420	600	420
Employee Benefits - Salaries	10,854	12,500	10,792
	<u>125,289</u>	<u>164,967</u>	<u>114,155</u>

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

7. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	177,925	161,506	162,006
Cash and cash equivalents for Statement of Cash Flows	<u>177,925</u>	<u>161,506</u>	<u>162,006</u>

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	-	-	2,074
Interest Receivable	-	1,827	1,827
Teacher Salaries Grant Receivable	21,272	23,015	19,166
	<u>21,272</u>	<u>24,842</u>	<u>23,067</u>
Receivables from Exchange Transactions	-	1,827	3,901
Receivables from Non-Exchange Transactions	21,272	23,015	19,166
	<u>21,272</u>	<u>24,842</u>	<u>23,067</u>

9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
School Uniforms	1,042	230	230
	<u>1,042</u>	<u>230</u>	<u>230</u>

10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Furniture and Equipment	5,023	4,028	-	-	(576)	8,475
Information and Communication Technology	6,314	3,875	-	-	(3,085)	7,104
Leased Assets	6,822	-	-	-	(3,052)	3,770
Library Resources	4,109	97	-	-	(526)	3,680
Balance at 31 December 2022	<u>22,268</u>	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>(7,239)</u>	<u>23,029</u>

The net carrying value of equipment held under a finance lease is **\$3,770 (2021: \$6,822)**

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	91,576	(83,101)	8,475	87,547	(82,524)	5,023
Information and Communication Technology	73,964	(66,860)	7,104	70,089	(63,775)	6,314
Motor Vehicles	9,513	(9,513)	-	9,513	(9,513)	-
Leased Assets	10,985	(7,215)	3,770	10,985	(4,163)	6,822
Library Resources	34,568	(30,888)	3,680	34,471	(30,362)	4,109
Balance at 31 December	220,606	(197,577)	23,029	212,605	(190,337)	22,268

11. Accounts Payable

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	716	2,158	2,158
Accruals	3,104	4,951	4,951
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	21,506	23,294	19,445
Employee Entitlements - Leave Accrual	698	269	269
	26,024	30,672	26,823
Payables for Exchange Transactions	26,024	30,672	26,823
	26,024	30,672	26,823

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Other revenue in Advance	1,900	-	-
	1,900	-	-

13. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	10,500	10,500	7,000
Increase to the Provision During the Year	11,050		3,500
Other Adjustments	-	-	-
Provision at the End of the Year	21,550	10,500	10,500
Cyclical Maintenance - Non current	21,550	10,500	10,500
	21,550	10,500	10,500

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan.

14. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	2,757	2,538	3,533
Later than One Year and no Later than Five Years	1,806	1,700	4,564
Future Finance Charges	(326)		(798)
	4,237	4,238	7,299
Represented by			
Finance lease liability - Current	2,538	2,538	3,061
Finance lease liability - Non current	1,700	1,700	4,238
	4,238	4,238	7,299

15. 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.

The Proprietor of the School (The New Zealand Seventh-day adventist Association Limited) is a related party of the School Board because the proprietor appoints representatives to the School Board, giving the proprietor significant influence over the School Board. Any services or contributions between the School Board and Proprietor have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the School Board as noted in Note 1(c). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as 'Use of Land and Buildings'.

16. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	2,210	3,416
<i>Leadership Team</i>		
Remuneration	117,861	116,178
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	120,071	119,594

There are 8 members of the Board excluding the Principal. The Board had held 6 full meetings of the Board in the year. 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:

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110 - 120	110 - 120
Benefits and Other Emoluments	-	-
Termination Benefits	-	-



Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	0.00	0.00
	0.00	0.00

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

17. 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:

	2022 Actual	2021 Actual
Total	\$0	\$0
Number of People	nil	nil

18. 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.

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2022.

The Ministry is in the process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The School has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023.

19. Commitments

(a) Capital Commitments

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

(Capital commitments at 31 December 2021: NIL)

(b) Operating Commitments

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

20. 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 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	177,925	161,506	162,006
Receivables	21,272	24,842	23,067
Total Financial assets measured at amortised cost	199,197	186,348	185,073

Financial liabilities measured at amortised cost

Payables	26,024	30,672	26,823
Finance Leases	4,238	4,238	7,299
Total Financial Liabilities Measured at Amortised Cost	30,262	34,910	34,122

21. Events After Balance Date

Other than noted below, there were no significant events after the balance date that impact these financial statements.

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.

22. Comparatives

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



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PARKSIDE CHRISTIAN SEVENTH DAY ADVENTIST SCHOOL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Parkside Christian Seventh Day Adventist School (the School). The Auditor-General has appointed me, David Fraser using the staff and resources of Silks Audit Chartered Accountants 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 18, that comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2022; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with with Tier 2 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime

Our audit was completed on 31 May 2023. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises Statement of Financial Responsibility, Board of Trustees schedule included under the School Directory page and the Analysis of Variance, but does not include the financial statements, Kiwisport statement and Personnel Policy Compliance statement included as appendices, and our auditor's report thereon.

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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.

David Fraser

David Fraser
Silks Audit Chartered Accountants Ltd
On behalf of the Auditor-General
Whanganui, New Zealand

Parkside Christian S D A School Members of the Board of Trustees

For the year ended 31 December 2022



Name	Position	How Position Gained	Term Expired/ Expires
Bruce Mason	Presiding Member	Appointed by Proprietor	2025
Belinda Bestel	Principal	ex Officio	
Amanda Sparks	Staff Representative	Elected	2025
Rosileide Santos Matos	Parent Representative	Elected	2025
Anishea Te Ngaru	Parent Representative	Elected	2025
Blair Bawden	Parent Representative	Elected	2025
Aita Moore	Parent Representative	Elected	2025
Paula Katipa-Martinussen	Proprietors Rep	Appointed by Proprietor	2025
Mosese Laweloa	Proprietors Rep	Appointed by Proprietor	2025

Kiwisport Statement

For the year ended 31 December 2022

Kiwisport is a government funding initiative to support students participation in organised sport. In 2022 the school received \$484.87 (excluding GST). The funding was spent on swimming lessons and sport equipment.

Statement of Compliance with Employment Policy

For the year ended 31 December 2022

For the year ended 31 December 2022: the Parkside Christian SDA School Board:

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

Analysis of Variance Reporting



School Name:	Parkside Christian SDA School	School Number:	4107
Strategic Aim:	To develop sustainable leadership, teaching and assessment practices within the school in order to enhance the learning of literacy for all students.		
Annual Aim: 2022	All students to achieve at or above the relevant New Zealand Curriculum Level for Reading (not including students with additional learning needs, ESOL students and students operating on the ELLP)		
Target:	November data (OTJ) will show that all students (except those with identified additional learning needs and ESOL students) will make accelerated progress i.e., more than one year's progress and reach the New Zealand Curriculum level. Students with additional learning needs and ESOL students will receive in class support and will make steady progress toward the relevant level.		
Baseline Data:	<p>Analysis of school-wide data in November 2021 identified:</p> <p>All Students' data</p> <p>17.9% (5) students are performing well below the New Zealand Curriculum level in Reading</p> <p>10.7% (3) students are performing below the New Zealand Curriculum level in Reading</p> <p>42.9% (12) students are performing at the New Zealand Curriculum level in Reading</p> <p>28.6% (8) students are performing above the New Zealand Curriculum level in Reading</p> <p>Maori Student data</p> <p>0% Maori student are performing well below or below the New Zealand Curriculum level in Reading</p> <p>25% of Maori students are performing at the New Zealand Curriculum in Reading 75% of Maori students are performing above the New Zealand Curriculum in Reading</p> <p>Male student data</p> <p>18.2% (2) students are performing well below the New Zealand Curriculum level in Reading</p> <p>9.1% (1) student is performing below the New Zealand Curriculum level in Reading</p> <p>Female student data</p> <p>17.6% (3) students are performing well below the New Zealand Curriculum level in Reading</p> <p>11.8% (2) students are performing below the New Zealand Curriculum level in Reading</p>		

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>Assessment information informed the particular needs of the target students. Worked with Dr Kate Rowntree to examine the scope and the sequence of the Code and how to administer the pseudo word spelling test.</p> <p>Attended Structured Literacy workshops and implemented practice into literacy programme.</p> <p>Students at risk continue with 1:1 support (classroom teacher, teacher aide, RTLB, learning Intervention to accelerate learning)</p> <p>Worked with parents, families and whanau around ways to supporting students' learning.</p>	<p>March 2022 data shows -5 (17.2%) students well below the NZC level in Reading Of these 5 students -2(40%) students have additional learning needs -3 (60%) are ESOL students</p> <p>-2 (6.9%) students below the NZC level in Reading -2 (100%) have additional learning needs -41.4% (12) students at the NZC level in Reading -34.5% (10) students above the NZC level in Reading</p> <p>November 2022 data shows -16.1% (5) students well below the NZC level Of these students -40% (2) students have additional learning needs -60% (3) students are ESOL Students -3.2% (1) student is below the NZC level in Reading -This student has additional learning needs -38.7% (12) are at the New Zealand Curriculum level in Reading -41.9% (13) are above the New Zealand Curriculum level in Reading</p>	<p>Target has been met.</p> <p>November data (OTJ) shows that all students (except those with identified additional learning needs and ESOL students) have made progress and reached the required New Zealand Curriculum level.</p>	<p>Structured Literacy Learning Programme will continue to be implemented and monitored.</p> <p>PD to support Structured Literacy Approach will be attended.</p> <p>All students that have not achieved at the New Zealand Curriculum Level will continue to be monitored and receive one to one support.</p> <p>.</p>
Planning for next year:			
<p>Will be continue consolidating the Structured Learning Approach.</p>			