

WAKATIPU HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	374
Principal:	Mr Oded Nathan
School Address:	47-49 Red Oaks Drive, Frankton, Queenstown
School Postal Address:	Private Bag 50080, Queenstown 9300
School Phone:	03-4427370
School Email:	office@wakatipu.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Steve Hall	Principal	Appointed 2012	Dec-22
Niki Hawke	Parent Representative	Re-elected May 2019	Sep-22
Grant McCulloch	Parent Representative	Re-elected May 2019	Sep-22
Charlie Phillips	Parent Representative	Re-elected May 2019	Sep-22
Tony Balfour	Parent Representative	Re-elected May 2019	Sep-22
Gigi Hollyer	Parent Representative	Elected May 2019	Sep-22
Rajeev Sunder	Parent Representative	Elected May 2019	Sep-22
Adrian Januszkiewicz	Trustee	Co-opted May 2021	Sep-22
Jennifer Smart	Staff Representative	Elected May 2019	Sep-22
Roni Bouchier	Whanau Representative	Elected May 2019	Sep-22
Lachy Boniface	Student Representative	Elected September 2021	Sep-22
Adrian Januszkiewicz	Trustee	Elected September 2022	Sep-25
Guy Blundell	Parent Representative	Elected September 2022	Sep-25
Ben O'Malley	Parent Representative	Elected September 2022	Sep-25
John Edmonds	Parent Representative	Elected September 2022	Sep-25
Rachel Exell	Parent Representative	Elected September 2022	Sep-25
Gaylene Hastie	Parent Representative	Elected September 2022	Sep-25
Louise Wright	Whanau Representative	Elected September 2022	Sep-25
Mark Baldwin	Staff Representative	Elected September 2022	Sep-25
Daphne Ricketts	Student Representative	Elected September 2022	Sep-25
Oded Nathan	Principal	Appointed 2023	

Accountant / Service Provider:

McCulloch + Partners
Chartered Accountants
Queenstown

WAKATIPU HIGH SCHOOL

Annual Report - For the year ended 31 December 2022

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Wakatipu High School

Statement of Responsibility

For the year ended 31 December 2022

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

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

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

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

Adrian Janyszkiewicz

Full Name of Presiding Member



Signature of Presiding Member

2/8/23

Date:

Oded Nathan

Full Name of Principal



Signature of Principal

2/8/23

Date:

Wakatipu High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	15,470,058	15,072,321	13,276,895
Locally Raised Funds	3	1,884,422	1,530,281	1,831,297
Interest Income		51,783	20,360	19,618
Gain on Sale of Property, Plant and Equipment		(493)	-	1,744
Total Revenue		17,405,770	16,622,962	15,129,554
Expenses				
Locally Raised Funds	3	947,804	707,747	1,074,688
Learning Resources	4	10,119,089	10,131,183	9,064,006
Administration	5	893,100	781,476	759,585
Property	6	5,440,445	5,413,535	4,045,274
		17,400,438	17,033,941	14,943,553
Net Surplus / (Deficit) for the year		5,332	(410,979)	186,001
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		5,332	(410,979)	186,001

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

Wakatipu High 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		3,459,193	3,459,195	3,273,192
Total comprehensive revenue and expense for the year		5,332	(410,979)	186,001
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		502,200	-	-
Equity at 31 December		3,966,725	3,048,216	3,459,193
Accumulated comprehensive revenue and expense		3,966,725	3,048,216	3,459,193
Equity at 31 December		3,966,725	3,048,216	3,459,193

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.

Wakatipu High 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	636,937	(16,276)	181,195
Accounts Receivable	8	798,748	618,029	618,029
GST Receivable		-	49,382	49,382
Prepayments		70,537	31,483	31,483
Inventories	9	54,780	66,278	66,278
Investments	10	2,523,946	2,005,789	2,005,789
		4,084,948	2,754,685	2,952,156
Current Liabilities				
GST Payable		142	-	-
Accounts Payable	12	1,040,841	874,065	874,065
Revenue Received in Advance	13	695,714	179,046	179,046
Finance Lease Liability	14	32,082	30,480	30,480
		1,768,779	1,083,591	1,083,591
Working Capital Surplus/(Deficit)		2,316,169	1,671,094	1,868,565
Non-current Assets				
Property, Plant and Equipment	11	1,665,857	1,410,787	1,624,295
		1,665,857	1,410,787	1,624,295
Non-current Liabilities				
Finance Lease Liability	14	15,299	33,664	33,664
Funds held in Trust	15	2	2	2
		15,301	33,666	33,666
Net Assets		3,966,725	3,048,216	3,459,194
Equity		3,966,725	3,048,216	3,459,193

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

Wakatipu High 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		2,980,859	6,048,509	2,440,472
Locally Raised Funds		1,702,488	1,593,401	1,726,485
Hostel		181,289	-	
International Students		392,581	58,690	(30,244)
Goods and Services Tax (net)		49,524	(49,382)	(47,098)
Payments to Employees		(2,401,676)	(2,290,652)	(1,660,437)
Payments to Suppliers		(2,112,676)	(1,831,263)	(2,150,062)
Interest Received		51,783	20,360	19,618
Net cash from/(to) Operating Activities		844,172	3,549,663	298,734
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(493)	45,557	1,744
Purchase of Property Plant & Equipment (and Intangibles)		(336,834)	(1,505,455)	(350,985)
Purchase of Investments		(518,157)	(2,005,789)	(249,547)
Net cash from/(to) Investing Activities		(855,484)	(3,465,687)	(598,788)
Cash flows from Financing Activities				
Furniture and Equipment Grant		502,200	-	
Finance Lease Payments		(35,150)	(100,253)	(30,740)
Funds Administered on Behalf of Third Parties		-	2	
Net cash from/(to) Financing Activities		467,050	(100,251)	(30,740)
Net increase/(decrease) in cash and cash equivalents		455,738	(16,276)	(330,794)
Cash and cash equivalents at the beginning of the year	7	181,195	-	511,989
Cash and cash equivalents at the end of the year	7	636,937	(16,276)	181,195

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.

Wakatipu High School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

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

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.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the

risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 14. Future operating lease commitments are disclosed in note 20b.

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

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 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.

g) 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.

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	10–75 years
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 fees received from international students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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

o) Funds Held in Trust

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

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

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.

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.

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

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Government Grants - Ministry of Education	2,918,329	2,301,940	2,291,125
Teachers' Salaries Grants	7,089,592	7,089,592	6,811,370
Use of Land and Buildings Grants	5,393,415	5,393,415	4,025,053
Other Government Grants	68,722	287,374	149,347
	<u>15,470,058</u>	<u>15,072,321</u>	<u>13,276,895</u>

3. Locally Raised Funds

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

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
Revenue	\$	\$	\$
Donations & Bequests	614,888	518,319	375,446
Fees for Extra Curricular Activities	799,520	640,639	768,901
Trading	184,531	186,524	406,129
Overseas Travel - Fundraising	17,224	-	-
Other Revenue	141,242	136,500	134,638
International Student Fees	127,017	48,299	146,183
	<u>1,884,422</u>	<u>1,530,281</u>	<u>1,831,297</u>
Expenses			
Extra Curricular Activities Costs	476,996	259,190	395,955
Trading	313,373	307,433	537,571
Overseas Travel - Activities	17,224	-	-
International Student - Employee Benefit - Salaries	100,328	122,889	118,628
International Student - Other Expenses	39,883	18,235	22,534
	<u>947,804</u>	<u>707,747</u>	<u>1,074,688</u>
Surplus/ (Deficit) for the year Locally raised funds	<u>936,618</u>	<u>822,534</u>	<u>756,609</u>

Donations include \$400,000 from WHS Foundation, Branches Charitable Trust of \$70,000.

During the year the School hosted 9 International students.

During the year, the School's International Student Director and Deputy Principal went on a marketing trip overseas to attract international students to the School. The purpose of the trip was to gain traction in Asia to reconnect with established agent partners, try to create new partnerships and also meet with families who would send their children to the School in 2023.

4. Learning Resources

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	723,800	872,909	761,933
Equipment Repairs	4,394	17,550	3,720
Information and Communication Technology	139,256	159,055	123,117
Library Resources	1,449	3,970	1,606
Employee Benefits - Salaries	8,794,040	8,699,151	7,790,834
Staff Development	142,492	165,040	151,750
Depreciation	313,658	213,508	231,045
	<u>10,119,089</u>	<u>10,131,183</u>	<u>9,064,005</u>

5. Administration

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Audit Fee	10,536	10,536	8,400
Board Fees	4,420	4,560	4,395
Board Expenses	16,990	15,528	5,232
Communication	53,724	57,786	51,598
Consumables	25,115	17,913	14,182
Legal Fees	6,180	9,200	6,180
Other	97,810	42,884	40,247
Employee Benefits - Salaries	657,130	604,313	608,454
Insurance	15,972	13,500	15,714
Service Providers, Contractors and Consultancy	5,223	5,256	5,183
	<u>893,100</u>	<u>781,476</u>	<u>759,585</u>

6. Property

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	-	500	381
Rates	3,292	3,470	1,677
Repairs and Maintenance	43,738	16,150	18,163
Use of Land and Buildings	5,393,415	5,393,415	4,025,053
	<u>5,440,445</u>	<u>5,413,535</u>	<u>4,045,274</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	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Bank Accounts	636,720	(16,561)	180,910
Cash on Hand	217	285	285
Cash and cash equivalents for Statement of Cash Flows	<u>636,937</u>	<u>(16,276)</u>	<u>181,195</u>

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

8. Accounts Receivable

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Receivables	181,968	57,236	57,236
Teacher Salaries Grant Receivable	616,780	560,793	560,793
	<u>798,748</u>	<u>618,029</u>	<u>618,029</u>
Receivables from Exchange Transactions	181,968	57,236	57,236
Receivables from Non-Exchange Transactions	616,780	560,793	560,793
	<u>798,748</u>	<u>618,029</u>	<u>618,029</u>

9. Inventories

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Stationery	5,119	6,600	6,600
School Uniforms	49,661	59,678	59,678
	<u>54,780</u>	<u>66,278</u>	<u>66,278</u>

10. Investments

The School's investment activities are classified as follows:

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	2,523,946	2,005,789	2,005,789
Total Investments	<u>2,523,946</u>	<u>2,005,789</u>	<u>2,005,789</u>

11. Property, Plant and Equipment

2022	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	590,984	-	-	-	(14,232)	576,752
Furniture and Equipment	675,092	247,225	(569)	-	(133,117)	788,631
Information and Communication Technology	239,627	29,369	-	-	(112,019)	156,977
Motor Vehicles	10,417	43,470	-	-	(8,296)	45,591
Textbooks	9,459	10,156	-	-	(4,726)	14,889
Leased Assets	61,673	18,385	-	-	(35,720)	44,338
Library Resources	37,043	7,184	-	-	(5,548)	38,679
Balance at 31 December 2022	1,624,295	355,789	(569)	-	(313,658)	1,665,857

Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	711,591	(134,839)	576,752	711,591	(120,607)	590,984
Furniture and Equipment	1,568,028	(779,400)	788,628	1,321,426	(646,334)	675,092
Information and Communication Technology	1,094,613	(937,636)	156,977	1,065,244	(825,617)	239,627
Motor Vehicles	99,443	(53,853)	45,590	55,974	(45,557)	10,417
Textbooks	52,671	(37,782)	14,889	42,514	(33,056)	9,458
Leased Assets	182,783	(138,443)	44,340	164,397	(102,723)	61,674
Library Resources	153,347	(114,667)	38,680	141,656	(104,613)	37,043
Balance at 31 December 2021	3,862,476	(2,196,620)	1,665,857	3,502,802	(1,878,507)	1,624,295

12. Accounts Payable

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	323,910	267,163	267,163
Banking Staffing Overuse	-	6,192	6,192
Employee Entitlements - Salaries	716,931	600,710	600,710
	<u>1,040,841</u>	<u>874,065</u>	<u>874,065</u>
Payables for Exchange Transactions	1,040,841	874,065	874,065
	<u>1,040,841</u>	<u>874,065</u>	<u>874,065</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International Student Fees in Advance	275,955	10,391	10,391
Hostel Fees in Advance	181,289	-	-
Other revenue in Advance	238,470	168,655	168,655
	<u>695,714</u>	<u>179,046</u>	<u>179,046</u>

14. Finance Lease Liability

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

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	32,082	30,480	30,480
Later than One Year and no Later than Five Years	15,299	33,664	33,664
	<u>47,380</u>	<u>64,144</u>	<u>64,144</u>
Represented by			
Finance lease liability - Current	32,082	30,480	30,480
Finance lease liability - Non current	15,299	33,664	33,664
	<u>47,380</u>	<u>64,144</u>	<u>64,144</u>

15. Funds held in Trust

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Non-current	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>

16. 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.

17. 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	4,420	4,395
<i>Leadership Team</i>		
Remuneration	1,017,895	832,166
Full-time equivalent members	7	6
Total key management personnel remuneration	1,022,315	836,561

There are 10 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance (4 members including Principal) 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:

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	220-230	170-180
Benefits and Other Emoluments	5-10	5-10
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	13.00	14.00
110-120	4.00	4.00
120-130	2.00	2.00
130-140	5.00	3.00
	24.00	23.00

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

18. 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	-
Number of People	0	-

19. 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.

The Ministry of Education provided additional funding for both the Support Staff in School's Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School has not been notified of the final wash up calculation relating to 31 December 2022. The final calculations impact on the financial statements is unable to be determined at the date of reporting.

20. Commitments

(a) Capital Commitments

As at 31 December 2022 the school does not have any capital commitments:

(Capital commitments at 31 December 2021: \$nil)

(b) Operating Commitments

As at 31 December 2022 the Board has entered into the following contracts:

(a) operating lease of a EFTPOS Machine;

	2022 Actual \$	2021 Actual \$
No later than One Year	19,798	27,412
Later than One Year and No Later than Five Years	-	19,798
	<u>19,798</u>	<u>47,210</u>

21. 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	636,937	(16,276)	181,195
Receivables	798,748	618,029	618,029
Investments - Term Deposits	2,523,946	2,005,789	2,005,789
Total Financial assets measured at amortised cost	<u>3,959,631</u>	<u>2,607,542</u>	<u>2,805,013</u>

Financial liabilities measured at amortised cost

Payables	1,040,841	874,065	874,065
Finance Leases	47,381	64,144	64,144
Total Financial Liabilities Measured at Amortised Cost	<u>1,088,222</u>	<u>938,209</u>	<u>938,209</u>

22. Events After Balance Date

There were no significant events after the balance date that impact these financial statements (2021: \$nil).



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WAKATIPU HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Wakatipu High School (the School). The Auditor-General has appointed me, Mike Hawken, using the staff and resources of Deloitte 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 Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 2 August 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.

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 arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages accompanying the financial statements 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.

A handwritten signature in black ink, appearing to read "MHL".

Mike Hawken
for Deloitte Limited
On behalf of the Auditor-General
Dunedin, New Zealand