

# FAIRFIELD PRIMARY SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

**Ministry Number:** 1716

**Principal:** Anne Johnson

**School Address:** 260 Clarkin Road Fairfield Hamilton

**School Postal Address:** 260 Clarkin Road Fairfield Hamilton

**School Phone:** 07 855 6284

**School Email:** [office@fairfieldprimary.school](mailto:office@fairfieldprimary.school)

#### Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
P Kerepa-Broughton	Presiding Member	Elected	Jun-22
A Johnson	Principal	ex Officio	
K Knight	Parent Representative	Elected	Jun-22
S McQueen	Parent Representative	Elected	Jun-22
L Toki	Parent Representative	Elected	Jun-22
G Pooley	Parent Representative	Co-opted	Jun-22
S Mato	Staff Representative	Elected	Jun-22

**Accountant / Service Provider:** SRN Partners (Hamilton) Ltd

# FAIRFIELD PRIMARY SCHOOL

Annual Report - For the year ended 31 December 2021

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# Fairfield Primary School

## Statement of Responsibility

For the year ended 31 December 2021

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2021 fairly reflects the financial position and operations of the school.

The School's 2021 financial statements are authorised for issue by the Board.

Priscilla Kerapa Braughton  
Full Name of Presiding Member

P. Kerapa Braughton  
Signature of Presiding Member

31/5/22  
Date:

Gene Duncan - DP (Acting Principal)  
Full Name of Principal

Gene Duncan  
Signature of Principal

31/05/2022  
Date:

# Fairfield Primary School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	3,591,304	3,325,400	3,355,067
Locally Raised Funds	3	26,490	68,600	17,664
Interest Income		5,890	4,000	11,615
		<u>3,623,684</u>	<u>3,398,000</u>	<u>3,384,346</u>
<b>Expenses</b>				
Locally Raised Funds	3	10,122	9,300	10,358
Learning Resources	4	2,350,022	2,191,400	2,341,632
Administration	5	443,341	461,050	180,462
Finance		1,511	-	4,392
Property	6	679,354	659,100	701,142
Depreciation	11	75,404	47,300	80,382
Loss on Disposal of Property, Plant and Equipment	11	91	-	2,108
		<u>3,559,845</u>	<u>3,368,150</u>	<u>3,320,476</u>
<b>Net Surplus / (Deficit) for the year</b>		63,839	29,850	63,870
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>63,839</u>	<u>29,850</u>	<u>63,870</u>

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



# Fairfield Primary School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>		1,067,409	1,067,400	944,633
Total comprehensive revenue and expense for the year		63,839	29,850	63,870
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	58,906
<b>Equity at 31 December</b>		1,131,248	1,097,250	1,067,409
Retained Earnings		1,131,248	1,097,250	1,067,409
Reserves		-	-	-
<b>Equity at 31 December</b>		1,131,248	1,097,250	1,067,409

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.



# Fairfield Primary School

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	740,983	706,790	239,591
Accounts Receivable	8	174,513	173,500	151,210
GST Receivable		-	-	9,523
Prepayments		11,676	11,700	11,251
Inventories	9	2,005	2,000	2,016
Investments	10	487,554	487,560	482,382
Funds Due for Capital Works	16	2,409	-	-
		1,419,140	1,381,550	895,973
<b>Current Liabilities</b>				
GST Payable		37,645	37,180	-
Accounts Payable	12	305,252	303,100	169,293
Painting Contract Liability	14	21,511	21,510	21,511
Finance Lease Liability	15	16,683	16,740	16,449
Funds held for Capital Works Projects	16	307,111	306,000	3,677
		688,202	684,530	210,930
<b>Working Capital Surplus/(Deficit)</b>		730,938	697,020	685,043
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	437,131	436,930	442,671
		437,131	436,930	442,671
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	17,700	17,700	8,850
Painting Contract Liability	14	15,983	16,000	30,731
Finance Lease Liability	15	3,138	3,000	20,724
		36,821	36,700	60,305
<b>Net Assets</b>		1,131,248	1,097,250	1,067,409
<b>Equity</b>		1,131,248	1,097,250	1,067,409

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



# Fairfield Primary School

## Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,086,887	1,259,900	1,163,890
Locally Raised Funds		11,453	56,400	16,596
Goods and Services Tax (net)		47,168	47,980	(9,562)
Payments to Employees		(577,144)	(511,560)	(687,701)
Payments to Suppliers		(269,772)	(611,890)	(355,942)
Interest Paid		(1,511)	-	(4,392)
Interest Received		5,751	3,800	13,147
Net cash from/(to) Operating Activities		302,832	244,630	136,036
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(68,255)	(57,230)	(49,203)
Purchase of Investments		(5,172)	(5,260)	(12,569)
Net cash from/(to) Investing Activities		(73,427)	(62,490)	(61,772)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	58,906
Finance Lease Payments		(14,290)	(2,460)	(41,645)
Painting contract payments		(14,748)	(14,690)	(21,509)
Funds Administered on Behalf of Third Parties		301,025	302,300	(145,514)
Net cash from/(to) Financing Activities		271,987	285,150	(149,762)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>501,392</b>	<b>467,290</b>	<b>(75,498)</b>
Cash and cash equivalents at the beginning of the year	7	239,591	239,500	315,089
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>740,983</b>	<b>706,790</b>	<b>239,591</b>

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.





# Fairfield Primary School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

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

##### b) Basis of Preparation

###### *Reporting Period*

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

###### *Basis of Preparation*

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

###### *Financial Reporting Standards Applied*

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

###### *PBE Accounting Standards Reduced Disclosure Regime*

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

###### *Measurement Base*

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

###### *Presentation Currency*

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

###### *Specific Accounting Policies*

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

###### *Critical Accounting Estimates And Assumptions*

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

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

###### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 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 11.





### ***Critical Judgements in applying accounting policies***

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

#### ***Classification of leases***

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

#### ***Recognition of grants***

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

### **c) Revenue Recognition**

#### ***Government Grants***

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

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

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

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

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

#### ***Other Grants***

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

#### ***Donations, Gifts and Bequests***

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

#### ***Interest Revenue***

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

### **d) Operating Lease Payments**

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

### **e) Finance Lease Payments**

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

### **f) Cash and Cash Equivalents**

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



#### **g) Accounts Receivable**

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

#### **h) Inventories**

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

#### **i) Investments**

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

#### **j) Property, Plant and Equipment**

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

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

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

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

#### **Finance Leases**

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

#### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	40 years
Furniture and equipment	10–15 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

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

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

#### **Non cash generating assets**

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

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

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

The reversal of an impairment loss is recognised in the surplus or deficit.





**l) Accounts Payable**

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

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

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

*Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows

**n) Provision for Cyclical Maintenance**

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

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

**o) Financial Instruments**

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

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

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

**p) 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.

**q) Budget Figures**

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

**r) Services received in-kind**

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



## 2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	906,808	845,400	925,642
Teachers' Salaries Grants	1,790,585	1,615,000	1,672,317
Use of Land and Buildings Grants	442,650	445,000	503,334
Other MoE Grants	395,829	415,000	195,174
Other Government Grants	55,432	5,000	58,600
	<u>3,591,304</u>	<u>3,325,400</u>	<u>3,355,067</u>

The school has opted in to the donations scheme for this year. Total amount received was \$51,600.

## 3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
Donations & Bequests	4,806	54,600	1,906
Fees for Extra Curricular Activities	3,186	4,000	3,772
Trading	8,866	10,000	9,447
Other Revenue	9,632	-	2,539
	<u>26,490</u>	<u>68,600</u>	<u>17,664</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	735	300	292
Trading	9,387	9,000	10,066
	<u>10,122</u>	<u>9,300</u>	<u>10,358</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>16,368</u>	<u>59,300</u>	<u>7,306</u>

## 4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	63,179	117,050	66,316
Equipment Repairs	909	-	3,333
Information and Communication Technology	23,532	49,900	22,391
Library Resources	685	7,000	463
Employee Benefits - Salaries	2,208,427	1,952,750	2,196,825
Staff Development	53,290	64,700	52,304
	<u>2,350,022</u>	<u>2,191,400</u>	<u>2,341,632</u>



## 5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	5,200	4,800	5,000
Board Fees	2,960	3,300	2,960
Board Expenses	6,668	9,250	4,700
Communication	20,059	23,700	23,026
Consumables	9,356	19,000	10,619
Other	270,613	271,500	11,896
Employee Benefits - Salaries	111,475	113,000	106,293
Insurance	6,370	7,500	4,650
Service Providers, Contractors and Consultancy	10,640	9,000	11,318
	<u>443,341</u>	<u>461,050</u>	<u>180,462</u>

## 6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	6,334	6,500	9,623
Consultancy and Contract Services	64,880	55,000	56,566
Cyclical Maintenance Provision	19,021	25,000	18,685
Grounds	3,296	6,300	3,823
Heat, Light and Water	18,107	22,500	17,777
Rates	3,308	3,000	3,001
Repairs and Maintenance	46,799	21,800	15,448
Use of Land and Buildings	442,650	445,000	503,334
Security	10,834	10,000	9,447
Employee Benefits - Salaries	64,125	64,000	63,438
	<u>679,354</u>	<u>659,100</u>	<u>701,142</u>

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

## 7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	740,983	706,790	239,591
Cash and cash equivalents for Statement of Cash Flows	<u>740,983</u>	<u>706,790</u>	<u>239,591</u>



## 8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	17,807	15,000	2,770
Receivables from the Ministry of Education	7,298	-	-
Interest Receivable	1,998	2,000	1,859
Banking Staffing Underuse	950	10,000	10,172
Teacher Salaries Grant Receivable	146,460	146,500	136,409
	<u>174,513</u>	<u>173,500</u>	<u>151,210</u>
Receivables from Exchange Transactions	19,805	17,000	4,629
Receivables from Non-Exchange Transactions	154,708	156,500	146,581
	<u>174,513</u>	<u>173,500</u>	<u>151,210</u>

## 9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	2,005	2,000	1,545
School Uniforms	-	-	471
	<u>2,005</u>	<u>2,000</u>	<u>2,016</u>

## 10. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	487,554	487,560	482,382
	<u>487,554</u>	<u>487,560</u>	<u>482,382</u>





## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Building Improvements	194,945	2,074	-	-	(6,846)	190,173
Furniture and Equipment	141,475	42,243			(24,388)	159,330
Information and Communication Technology	41,476	20,646			(19,104)	43,018
Leased Assets	47,120	1,700			(23,024)	25,796
Library Resources	17,655	3,292	(91)		(2,042)	18,814
<b>Balance at 31 December 2021</b>	<b>442,671</b>	<b>69,955</b>	<b>(91)</b>	<b>-</b>	<b>(75,404)</b>	<b>437,131</b>

The net carrying value of equipment held under a finance lease is \$25,796 (2020: \$47,120).

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	275,254	(85,081)	190,173	273,180	(78,235)	194,945
Furniture and Equipment	328,609	(169,279)	159,330	302,125	(160,650)	141,475
Information and Communication T	108,480	(65,462)	43,018	95,759	(54,283)	41,476
Leased Assets	114,947	(89,151)	25,796	130,400	(83,280)	47,120
Library Resources	69,729	(50,915)	18,814	72,906	(55,251)	17,655
<b>Balance at 31 December</b>	<b>897,019</b>	<b>(459,888)</b>	<b>437,131</b>	<b>874,370</b>	<b>(431,699)</b>	<b>442,671</b>

## 12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	102,147	100,000	13,739
Accruals	8,817	48,210	8,588
Banking Staffing Overuse	-	-	5,354
Employee Entitlements - Salaries	185,857	146,460	136,409
Employee Entitlements - Leave Accrual	8,431	8,430	5,203
	<b>305,252</b>	<b>303,100</b>	<b>169,293</b>
Payables for Exchange Transactions	305,252	303,100	169,293
Payables for Non-exchange Transactions - Other			
	<b>305,252</b>	<b>303,100</b>	<b>169,293</b>

The carrying value of payables approximates their fair value.



### 13. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	8,850	8,850	
Increase/ (decrease) to the Provision During the Year	8,850	25,000	8,850
Provision at the End of the Year	17,700	33,850	8,850
Cyclical Maintenance - Term	17,700	17,700	8,850
	17,700	17,700	8,850

### 14. Painting Contract Liability

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Due within one year	21,511	21,510	21,511
Due after one year	15,983	16,000	30,731
	37,494	37,510	52,242

In 2018 the Board signed an agreement with Programmed Property Services Ltd (the contractor) for an agreed programme of work covering a seven year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2019, with regular maintenance in subsequent years. The agreement has an annual commitment of \$21,511. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

### 15. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	17,559	17,600	20,078
Later than One Year and no Later than Five Years	3,093	3,000	19,194
Future Finance Charges	(831)	(860)	(2,099)
	19,821	19,740	37,173
<b>Represented by</b>			
Finance lease liability - Current	16,683	16,740	16,449
Finance lease liability - Term	3,138	3,000	20,724
	19,821	19,740	37,173



## 16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects.

	2021 Project	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block B Roofing	218313	6,304	-	(6,304)	-	-
Heatpumps	202082	493	507	(1,000)	-	-
Block G Replacement Hall	209918	(3,120)	459,370	(149,139)	-	307,111
Block B Interior Refurbishment	231346		55,075	(57,484)	-	(2,409)
Totals		3,677	514,952	(213,927)	-	304,702

### Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Due from the Ministry of Education

307,111  
2,409

304,702

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block B Roofing	<i>in progress</i>	101,106		(94,802)		6,304
Heatpumps	<i>in progress</i>	48,565		(48,072)		493
Block G Replacement Hall	<i>in progress</i>	(480)		(2,640)		(3,120)
Totals		149,191	-	(145,514)	-	3,677

## 17. 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.

Hera McQueen is a staff member and she is the wife of Simon McQueen, who is a BOT member.



## 18. Remuneration

### *Key management personnel compensation*

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i> Remuneration	2,960	2,960
<i>Leadership Team</i> Remuneration Full-time equivalent members	486,552 4	469,919 4
Total key management personnel remuneration	489,512	472,879

There are 6 members of the Board excluding the Principal. The Board had held seven full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### *Principal 1*

The total value of remuneration paid or payable to the Principal was in the following bands:

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	150-160
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

### *Other Employees*

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100-110	3.00	2.00
110-120	1.00	0.00
	4.00	2.00

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





## 19. Compensation and Other Benefits Upon Leaving

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

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

## 20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021 (Contingent liabilities and assets at 31 December 2020: nil).

Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2021, a contingent liability for the school may exist.

## 21. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has entered into contract agreements for capital works as follows:

(a) Block G replacement & Hall project to be completed in 2022, which will be fully funded by the Ministry of Education. \$459,370 has been received of which \$152,259 has been spent on the project to date.

(Capital commitments at 31 December 2020: \$3,677)

### (b) Operating Commitments

As at 31 December 2021 the Board has entered into the following contracts:

(a) contract to paint and wash the school with Programmed Property Services

	2021 Actual \$	2020 Actual \$
No later than One Year	6,763	6,763
Later than One Year and No Later than Five Years	21,511	27,039
	<u>28,274</u>	<u>33,802</u>



## 22. Financial Instruments

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

### Financial assets measured at amortised cost

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	740,983	706,790	239,591
Receivables	174,513	173,500	151,210
Investments - Term Deposits	487,554	487,560	482,382
Total Financial assets measured at amortised cost	1,403,050	1,367,850	873,183

### Financial liabilities measured at amortised cost

Payables	305,252	303,100	169,293
Finance Leases	19,821	19,740	37,173
Painting Contract Liability	37,494	37,510	52,242
Total Financial Liabilities Measured at Amortised Cost	362,567	360,350	258,708

## 23. Events After Balance Date

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

## 24. Comparatives

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

## 25. Breach of law - Failure to meet statutory reporting deadline

The Board of Trustees did not comply with section 135 of the Education and Training Act in that it did not submit its annual financial statements for audit by 31 March 2022.





Fairfield Primary School  
For the year ending 31 December 2021

Kiwisport

In 2021 the school received Kiwisport funding of \$4,870 (2020:\$5,030)

The funding was spent on beach education and transport to sports venues.