



Aranga School

Each For All

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	1001
Principal:	Todd Warmington
School Address:	State Highway 12, RD6, Dargaville 0376
School Postal Address:	State Highway 12, RD6, Dargaville 0376
School Phone:	09 439 0634
School Email:	admin@aranga.school.nz
Accountant / Service Provider:	Canterbury Education Services (CES)

Aranga School

Members of the Board of Trustees

For the year ended 31 December 2022

Name	Position	How Position Gained	Term Expires
Jaimee Clarkson	Presiding Member	Elected September 2022	June 2025
Todd Warmington	Principal	ex Officio February 2018	
Olive Tane	Parent Representative	Elected September 2022	June 2025
Rachel Dunn	Parent Representative	Elected September 2022	June 2025
Paola Saumett- Carbo	Parent Representative	Elected September 2022	June 2025
Serah Mehrtens	Staff Representative	Elected September 2022	June 2025
Name	Position	How Position Gained	Term Expired
Priscilla Sowter	Parent Representative	Re-elected June 2019	May 2022
Jarryd Davely	Chairperson	Re-elected June 2019	May 2022

ARANGA SCHOOL

Annual Report - For the year ended 31 December 2022

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Kiwisport

Aranga 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.

Jaime Noeleen Clarkson

Full Name of Presiding Member

Serah Maree Mehrtens

Full Name of Principal



Signature of Presiding Member



Signature of Principal

29/05/23

Date:

29/05/23

Date:

Aranga 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	487,703	389,127	418,415
Locally Raised Funds	3	12,592	6,700	125,927
Interest Income		2,943	200	221
Total Revenue		503,238	396,027	544,563
Expenses				
Locally Raised Funds	3	4,693	2,400	51,836
Learning Resources	4	315,489	248,466	272,949
Administration	5	47,178	40,065	35,286
Finance		1,613	900	1,375
Property	6	102,540	99,074	106,618
		471,513	390,905	468,064
Net Surplus / (Deficit) for the year		31,725	5,122	76,499
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		31,725	5,122	76,499

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



Aranga 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		425,361	425,362	348,862
Total comprehensive revenue and expense for the year		31,725	5,122	76,499
Contribution - Furniture and Equipment Grant		2,355	-	-
Equity at 31 December		459,441	430,484	425,361

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.



Aranga 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	864,445	332,183	367,133
Accounts Receivable	8	24,053	14,494	14,625
Prepayments		4,298	3,895	3,895
Inventories	9	112	65	65
Funds Receivable for Capital Works Projects	14	2,115	-	9,297
		<u>895,023</u>	<u>350,637</u>	<u>395,015</u>
Current Liabilities				
GST Payable		61,565	2,873	2,873
Accounts Payable	11	27,781	25,502	25,504
Finance Lease Liability	13	5,713	4,512	6,112
Funds held for Capital Works Projects	14	435,374	-	57,387
		<u>530,432</u>	<u>32,887</u>	<u>91,876</u>
Working Capital Surplus/(Deficit)		364,591	317,750	303,139
Non-current Assets				
Property, Plant and Equipment	10	149,678	154,886	154,885
		<u>149,678</u>	<u>154,886</u>	<u>154,885</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	12	42,000	28,000	24,000
Finance Lease Liability	13	12,828	14,152	8,663
		<u>54,828</u>	<u>42,152</u>	<u>32,663</u>
Net Assets		<u>459,441</u>	<u>430,484</u>	<u>425,361</u>
Equity		<u>459,441</u>	<u>430,484</u>	<u>425,361</u>

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



Aranga 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		138,412	189,783	112,820
Locally Raised Funds		12,467	7,557	126,653
Goods and Services Tax (net)		58,692	5,603	5,605
Payments to Employees		(40,942)	(34,070)	(31,852)
Payments to Suppliers		(47,753)	(45,597)	(98,601)
Interest Paid		(1,613)	(900)	(1,375)
Interest Received		2,943	200	221
Net cash from/(to) Operating Activities		122,206	122,576	113,471
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(5,535)	(25,362)	(8,479)
Net cash from/(to) Investing Activities		(5,535)	(25,362)	(8,479)
Cash flows from Financing Activities				
Furniture and Equipment Grant		2,355	-	
Finance Lease Payments		(6,881)	5,873	(8,555)
Funds Administered on Behalf of Third Parties		385,167	-	47,476
Net cash from/(to) Financing Activities		380,641	5,873	38,921
Net increase/(decrease) in cash and cash equivalents		497,312	103,087	143,913
Cash and cash equivalents at the beginning of the year	7	367,133	229,096	223,220
Cash and cash equivalents at the end of the year	7	864,445	332,183	367,133

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.



Aranga School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Aranga 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.

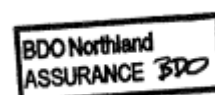
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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 12.

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 13.

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

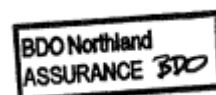
Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

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) 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	40 years
Board Owned Buildings	40 years
Furniture and equipment	5 - 18 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

i) 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. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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.

j) 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.

k) 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.

l) Funds held for Capital works

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

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

m) 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 the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

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

n) 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.



o) 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.

p) Budget Figures

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

q) 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	169,282	107,647	136,250
Teachers' Salaries Grants	254,112	214,156	214,841
Use of Land and Buildings Grants	64,309	67,324	67,324
	487,703	389,127	418,415

The school has opted in to the donations scheme for this year. Total amount received was \$3,600.

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	60	1,000	9,514
Fees for Extra Curricular Activities	722	1,000	204
Trading	303	200	188
Fundraising & Community Grants	295	-	-
Other Revenue	11,212	4,500	116,021
	12,592	6,700	125,927
Expenses			
Extra Curricular Activities Costs	2,737	1,200	2,867
Trading	458	400	621
Other Locally Raised Funds Expenditure	1,498	800	48,348
	4,693	2,400	51,836
	7,899	4,300	74,091

Surplus/ (Deficit) for the year Locally raised funds

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	29,778	9,110	28,988
Equipment Repairs	-	250	-
Information and Communication Technology	3,919	4,100	5,173
Employee Benefits - Salaries	259,487	214,156	218,216
Staff Development	915	850	-
Depreciation	21,390	20,000	20,572
	315,489	248,466	272,949



5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	3,890	3,000	3,777
Board Fees	2,100	1,800	1,420
Board Expenses	2,267	4,630	3,642
Communication	731	550	103
Consumables	232	600	178
Operating Lease	522	2,200	463
Other	1,386	1,430	693
Employee Benefits - Salaries	27,115	18,000	16,912
Insurance	4,410	3,550	4,152
Service Providers, Contractors and Consultancy	4,525	4,305	3,946
	47,178	40,065	35,286

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	1,706	700	363
Cyclical Maintenance Provision	18,000	4,000	4,000
Grounds	2,475	2,150	2,146
Heat, Light and Water	5,608	6,500	5,420
Repairs and Maintenance	1,803	1,900	15,370
Use of Land and Buildings	64,309	67,324	67,324
Employee Benefits - Salaries	8,639	16,500	11,995
	102,540	99,074	106,618

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	864,445	332,183	367,133
Cash and cash equivalents for Statement of Cash Flows	864,445	332,183	367,133



8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	256	-	131
Receivables from the Ministry of Education	5,206	-	-
Teacher Salaries Grant Receivable	18,591	14,494	14,494
	<u>24,053</u>	<u>14,494</u>	<u>14,625</u>
Receivables from Exchange Transactions	256	-	131
Receivables from Non-Exchange Transactions	23,797	14,494	14,494
	<u>24,053</u>	<u>14,494</u>	<u>14,625</u>

9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	112	65	65
	<u>112</u>	<u>65</u>	<u>65</u>

10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Building Improvements	112,618	-	-	-	(4,698)	107,920
Furniture and Equipment	23,946	4,356	-	-	(8,820)	19,482
Information and Communication Technology	-	1,180	-	-	(160)	1,020
Leased Assets	14,700	10,647	-	-	(7,259)	18,088
Library Resources	3,621	-	-	-	(453)	3,168
		-				
Balance at 31 December 2022	<u>154,885</u>	<u>16,183</u>	<u>-</u>	<u>-</u>	<u>(21,390)</u>	<u>149,678</u>

The net carrying value of technology held under a finance lease is **\$18,088 (2021: \$14,700)**

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Building Improvements	190,277	(82,357)	107,920	190,277	(77,659)	112,618
Furniture and Equipment	193,531	(174,049)	19,482	189,571	(165,625)	23,946
Information and Communication Technology	26,237	(25,218)	1,020	25,058	(25,058)	-
Leased Assets	36,619	(18,531)	18,088	25,972	(11,272)	14,700
Library Resources	30,363	(27,195)	3,168	30,363	(26,742)	3,621
		-				
Balance at 31 December	<u>477,027</u>	<u>(327,350)</u>	<u>149,678</u>	<u>461,241</u>	<u>(306,356)</u>	<u>154,885</u>



11. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	4,680	6,801	6,803
Accruals	3,890	3,777	3,777
Employee Entitlements - Salaries	18,591	14,494	14,494
Employee Entitlements - Leave Accrual	617	430	430
	<u>27,778</u>	<u>25,502</u>	<u>25,504</u>
Payables for Exchange Transactions	27,778	25,502	25,504
	<u>27,778</u>	<u>25,502</u>	<u>25,504</u>

The carrying value of payables approximates their fair value.

12. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	24,000	24,000	20,000
Increase to the Provision During the Year	6,000	4,000	4,000
Other Adjustments	12,000	-	-
Provision at the End of the Year	<u>42,000</u>	<u>28,000</u>	<u>24,000</u>
Cyclical Maintenance - Non current	42,000	28,000	24,000
	<u>42,000</u>	<u>28,000</u>	<u>24,000</u>

13. 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	8,087	8,087	7,700
Later than One Year and no Later than Five Years	16,011	16,011	9,946
Future Finance Charges	(5,557)	(5,434)	(2,871)
	<u>18,541</u>	<u>18,664</u>	<u>14,775</u>
Represented by			
Finance lease liability - Current	5,713	4,512	6,112
Finance lease liability - Non current	12,828	14,152	8,662
	<u>18,541</u>	<u>18,664</u>	<u>14,774</u>



14. Funds Held for Capital Works Projects

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

2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
MOE Swimming Pool - Project 215148	(4,536)	159,392	(10,069)	-	144,787
MOE Deck Replacements - Project 233687	11,715	161,468	(1,497)	-	171,686
MOE Window Joinery & Cladding Replacements - Project 233690	7,167	99,317	(1,789)	-	104,695
MOE Stormwater & Effluent System Replacements - Project 233689	(4,761)	80,902	(78,256)	-	(2,115)
MOE SIP Funding Project 224457	38,505	-	(24,299)	-	14,206
Totals	48,090	501,079	(115,910)	-	433,259

Represented by:

Funds Held on Behalf of the Ministry of Education	435,374
Funds Receivable from the Ministry of Education	(2,115)

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
MOE Swimming Pool - Project 215148	613	20,856	(29,326)	3,320	(4,536)
MOE Deck Replacements - Project 233687	-	18,709	(6,994)	-	11,715
MOE Window Joinery & Cladding Replacements - Project 233690	-	13,287	(6,120)	-	7,167
MOE Stormwater & Effluent System Replacements - Project 233689	-	-	(4,761)	-	(4,761)
MOE SIP Funding Project 224457	-	45,000	(6,495)	-	38,505
Totals	613	97,852	(53,696)	3,320	48,090

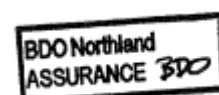
Represented by:

Funds Held on Behalf of the Ministry of Education	57,387
Funds Receivable from the Ministry of Education	(9,297)

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



16. Remuneration

Key management personnel compensation

Key management personnel of the School include all Board members and Principal.

	2022 Actual \$	2021 Actual \$
<i>Board Members</i> Remuneration	2,100	1,420
<i>Leadership Team</i> Remuneration	117,044	116,542
Full-time equivalent members	1	1
Total key management personnel remuneration	<u>119,144</u>	<u>117,962</u>

There are 6 members of the Board excluding the Principal. The Board had held 7 full meetings of the Board in the year. The Board also has Finance 1 and Property 1 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

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	1 - 5	1 - 5
Termination Benefits		

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	0	0

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.



19. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into contract agreements for capital works as follows:

- (a) Contract for Deck Replacements which will be fully funded by the Ministry of Education, \$180,177 has been received of which \$8,491 has been spent on the project to date; and
- (b) Contract to have the Stormwater & Effluent system replaced as agent for the Ministry of Education. This project is fully funded by the Ministry and \$80,902 been received of which \$83,017 has been spent on the project to balance date. This project has been approved by the Ministry; and
- (c) Contract to have Window Joinery & Cladding replaced as agent for the Ministry of Education. The project is fully funded by the Ministry and \$112,604 has been received of which \$7,909 has been spent on the project to balance date. This project has been approved by the Ministry.
- (d) Contract under SIP funding as agent for the Ministry of education. The project is fully funded by the Ministry and \$45,000 has been received of which \$30,794 has been spent on the project to balance date. This project has been approved by the Ministry;
- (e) Contract to have the Swimming Pool Roof replaced as agent for the Ministry of Education. This project. This project is fully funded by the Ministry and \$20,856 has been received of which \$25,042 has been spent on the project to balance date; and
- (f) Contract to have Roof and Guttering replaced as agent for the Ministry of Education. This project is fully funded by the Ministry and \$213,708 has been received of which \$64,736 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2021: \$48,090)

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	864,445	332,183	367,133
Receivables	24,053	14,494	14,625
Total Financial assets measured at amortised cost	<u>888,498</u>	<u>346,677</u>	<u>381,758</u>

Financial liabilities measured at amortised cost

Payables	27,778	25,502	25,504
Finance Leases	18,541	18,664	14,775
Total Financial Liabilities Measured at Amortised Cost	<u>46,319</u>	<u>44,166</u>	<u>40,279</u>

21. Events After Balance Date

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

22. Comparatives

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



Analysis of Variance Reporting

School Name:	Aranga School	School Number:	1001
Strategic Aim:	In collaboration, the Board of Trustees and staff will provide the highest possible learning outcomes for students.		
Annual Objective:	To increase the number of students at or above their C/A for Mathematics.		
Target:	22% of students identified as not achieving at their expected levels.		
Baseline Data:	Analysis of school-wide Maths data in December 2022 identified some concerns in that 22% of student had not yet achieved their expected levels. . <i>These students will be targeted through intervention of the classroom teacher.</i>		

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>
<ul style="list-style-type: none"> • Used the assessment data to identify specific learning gaps. • Teachers used the achievement results and research to explore our practice, • Used deliberate acts of teaching to target these needs. • Monitored student progress over the year. Tracking form • Altered practice. • Conversations with students about their learning. • Developed and used Success Criteria for the students learning. • Utilised specific resources related to the student's needs. 	<ul style="list-style-type: none"> • The analysis of end of year data showed positive gains in levels of achievement in mathematics across the school. • 76% of all student achieving at level. 	<p>Clear focus on basic facts.</p> <p>Time to embed these practises.</p> <p>The teaching and learning programmes were specific to the students individual learning needs.</p> <p>Students knew what their gaps were and worked according to the success criteria.</p> <p>Change of mindset of students from 'I can't' to 'Not Yet'.</p> <p>Improved engagement of students with the use of Success Criteria.</p> <p>Teacher Analysis of own practice and changes made according to the needs identified.</p> <p>Covid 19 impact</p>	<p>Individual students were clearly identified, with teachers using data to identify next learning steps. This has made significant impact on our teaching and learning programmes and this work will continue in 2021.</p> <p>We will continue to monitor all students and track their progress and achievement.</p> <p>More use of digital devices to support students with their maths.</p> <p>Continue the use of online learning tools.</p> <p>We will carry out fortnightly monitoring meetings to discuss progress of target students.</p>

Planning for next year:

We will:

- Continue the use of appropriate assessment tools.
- Strengthen learning partnerships with students and their whanau.
- Continue to target students who are achieving 'below' and extend the students who are 'at' or 'above' the standard in maths.
- Develop a school wide inclusive curriculum.
- Keep encouraging student engagement.

- Continue building maths resources across the school.
- Utilise Volunteers to support classroom maths programmes with Individual students

Analysis of Variance Reporting

Writing 2022

School Name:	Aranga School	School Number:	1001
Strategic Aim:	In collaboration, the Board of Trustees and staff will provide the highest possible learning outcomes for our students.		
Annual Aim:	To increase the total number of students achieving at or above the C/A for Writing by the end of 2022 to 70% of all students.		
Target:	<ul style="list-style-type: none">All students achieving 'Below" and well below' to move to C/A in Writing at the end of 2022.		
Baseline Data:	Analysis of school-wide Writing data in December 2022 indicated that 23% of our students are yet to meet the expected standard in Writing. <i>We identified some concerns across the school. These students will be targeted through intervention of the classroom teacher.</i>		

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>
<ul style="list-style-type: none"> • Developed a Teacher Inquiry Plan. • Identified specific needs of students. • Used deliberate acts of teaching to target these needs. • Monitored student progress over the year. • Altered practice. • Conversations with students about their learning. • Developed and used Success Criteria for the students learning. • Utilised specific resources related to the student's needs. • Teacher Aide support term 3 & 4 	<p>The analysis of end of year showed that we ended up with of 70%</p> <p>Some of the students that were part of our target group moved out of the area and to other schools.</p> <p>Indication showing that our School wide writing program is beginning to be embedded into teacher practise.</p> <p>Covid interruptions meant that we didn't get our normal Daily teaching routines.</p> <p>Some parents didn't give same support.</p> <p>Continue to work on Children at Risk as identified through our testing and put systems in place to support these learners.</p>	<p>Clear focus for teaching staff over the year.</p> <p>The teaching and learning programmes are consistent for students.</p> <p>Covid</p>	<p>Individual students were clearly identified, with teachers using data to identify next learning steps.</p> <p>We will continue to monitor all students and track their progress and achievement.</p> <p>More use of digital devices to support students with their writing.</p>
Planning for next year:			
<p>We will:</p> <ul style="list-style-type: none"> • Continue the use of appropriate assessment tools. • Strengthen learning partnerships with students and their whanau. • Continue to target students who are achieving 'below' and extend the students who are 'at' or 'above' the standard in writing. • Develop a school wide inclusive curriculum. • Keep encouraging student engagement. • Continue building writing resources across the school. • Utilise Volunteers to support classroom writing programmes with Individual students 			

Analysis of Variance Reporting

Reading 2022

School Name:	Aranga School	School Number:	1001
Strategic Aim:	In collaboration, the Board of Trustees and staff will provide the highest possible learning outcomes for our students.		
Annual Aim:	To increase the total number of students achieving at or above their C/A for Reading. School wide target 70% by end of 2022.		
Target:	<ul style="list-style-type: none">All students identified as below their C/A from baseline data 2021		
Baseline Data:	Analysis of school-wide Reading Data in December 2022 indicated that 18% of all students are not achieving the expected Reading Standard.		

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>
<ul style="list-style-type: none"> • Developed a Teacher Inquiry Plan. • Identified specific needs of students. • Used deliberate acts of teaching to target these needs. • Monitored student progress over the year tracking. • Altered practice. • Conversations with students about their learning. • Developed and used Success Criteria for the students learning. • Utilised specific resources related to the students needs. 	<ul style="list-style-type: none"> • The analysis of end of year data showed that while we have made positive gains in levels of achievement in reading, we identified a targeted the targeted cohort whom failed to achieve the expected standards. • Covid 19 had made an impact. 	<ul style="list-style-type: none"> • This year, we focused on maintaining the interests of the 'aboves' and accelerating the 'belows'. • Some of the target students moved on. • New staff unfamiliar with Teaching as Inquiry and required professional development with this. • Covid interruptions and distance learning 	<p>Continue to monitor these students as they move through the school.</p> <p>We will continue to monitor all students and track their progress and achievement.</p> <p>Continue to provide support for teaching staff with professional development in Inquiring into practice.</p>
Planning for next year:			
<p>We will:</p> <ul style="list-style-type: none"> • Continue the use of appropriate assessment tools • Strengthen learning partnerships with students and their whanau. • Continue to target students who are achieving 'below' and extend the students who are 'at' or 'above' the standard in reading.. • Keep encouraging student engagement. 			



Kiwi Sport Funding Statement 2022

Kiwi Sport Funding for 2022 was used to enhance the participation of our students in sports. We subsidised transport costs for our students to attend Sport Northland supported days. We also subsidised costs for students to attend sporting events in the Northern Wairoa region. Some of this was limited by Covid 19 this year especially early in 2022.

Todd Warmington
Principal

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ARANGA SCHOOL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Aranga School (the School). The Auditor-General has appointed me, Adelle Wilson using the staff and resources of BDO Northland to carry out the audit of the financial statements of the School on his behalf.

We have audited the financial statements of the School on pages 2 to 17, 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.

Qualified Opinion

In our opinion, except for the possible effect of the matter described in the Basis for our qualified opinion section of our report, 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 (PBE) Standards, Reduced Disclosure Regime

Our audit was completed on 29 May 2023. This is the date at which our opinion is expressed.

The basis for our qualified 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 qualified opinion – Cyclical maintenance provision

Our audit opinion for the year ended 31 December 2021 was qualified. We were unable to obtain sufficient audit evidence to support the cyclical maintenance provision as at 31 December 2021 and as recorded in Note 12. There were no other practical audit procedures we could perform to determine the reasonableness of the provision. As a result, we were unable to determine whether any adjustments to the provision were necessary.

Our opinion on the current year's financial statements is also modified because of the possible effect of the matter above on the comparability of the current year's figures and the corresponding figures. No such qualification was issued in respect to cyclical maintenance provision under the direct control of the Board for the year ended 31 December 2022.

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 for our qualified 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 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 arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Kiwi Sport Statement, the Statement of Responsibility, the Analysis of Variance report and the list of Trustees, 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.



Adelle Wilson
BDO Northland
On behalf of the Auditor-General
Whangarei, New Zealand