



BUCKLANDS BEACH
INTERMEDIATE SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Ministry Number: 1240

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BUCKLANDS BEACH INTERMEDIATE

Annual Report - For the year ended 31 December 2021

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Buckland's Beach Intermediate

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.

Alan Figgie

Full Name of Presiding Member

D. Parkinson

Full Name of Principal

[Signature]

Signature of

[Signature]

Signature of Principal

09 August 2022

Date:

09 August 2022

Date:

Bucklands Beach Intermediate

Members of the Board of Trustees

For the year ended 31 December 2021

Name	Position	How Position Gained	Term Expires
Alan Figgins	Presiding Member	Elected 2019	Sep-22
Diane Parkinson	Principal	Ex-Officio	
Anne Burgess	Staff Representative	Elected 2019	Sep-22
Chris Barnes	Parent Representative	Elected 2020	Dec-23
Jocelyn Cameron	Parent Representative	Elected 2019	Sep-22
Chris Griffiths	Parent Representative	Elected 2020	Dec-23
Wendy Levy	Parent Representative	Elected 2019	Sep-22
Nic Bishop	Parent Representative	Elected 2020	Dec-23

Bucklands Beach Intermediate

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	6,844,398	7,054,441	7,846,005
Locally Raised Funds	3	600,849	754,612	604,100
Interest Income		19,601	24,330	37,887
International Students	4	194,915	146,916	356,562
		7,659,763	7,980,299	8,844,554
Expenses				
Locally Raised Funds	3	288,960	455,068	337,581
International Students	4	29,554	15,300	39,364
Learning Resources	5	4,077,233	3,564,930	4,070,555
Administration	6	259,059	259,216	274,605
Finance		4,709	1,347	2,358
Property	7	2,461,228	3,401,478	3,333,001
Depreciation	11	348,363	329,417	344,180
Loss on Disposal of Property, Plant and Equipment		766	-	-
		7,469,872	8,026,756	8,401,644
Net Surplus / (Deficit) for the year		189,891	(46,457)	442,910
Total Comprehensive Revenue and Expense for the Year		189,891	(46,457)	442,910

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

Buckland's Beach Intermediate

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		4,665,274	4,665,274	4,206,338
Total comprehensive revenue and expense for the year		189,891	(46,457)	442,910
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		-	-	16,024
Equity at 31 December		4,855,165	4,618,817	4,665,274
Retained Earnings		4,855,165	4,618,817	4,665,274
Equity at 31 December		4,855,165	4,618,817	4,665,274

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.

Buckland's Beach Intermediate Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	8	808,660	200,000	894,584
Accounts Receivable	9	603,279	262,295	418,536
GST Receivable		17,608	5,028	5,029
Prepayments		95,743	6,910	6,910
Investments	10	1,003,050	2,298,794	1,498,942
		<u>2,528,340</u>	<u>2,773,027</u>	<u>2,824,001</u>
Current Liabilities				
Accounts Payable	12	385,065	293,918	293,920
Revenue Received in Advance	13	122,320	22,090	230,412
Provision for Cyclical Maintenance	14	36,083	-	-
Finance Lease Liability	15	26,999	10,437	31,855
Funds held for Capital Works Projects	16	102,201	-	7,868
		<u>672,668</u>	<u>326,445</u>	<u>564,055</u>
Working Capital Surplus		1,855,672	2,446,582	2,259,946
Non-current Assets				
Term Investments	10	823,721	-	-
Property, Plant and Equipment	11	2,342,660	2,382,097	2,588,144
		<u>3,166,381</u>	<u>2,382,097</u>	<u>2,588,144</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	133,777	181,213	147,730
Finance Lease Liability	15	33,111	28,649	35,086
		<u>166,888</u>	<u>209,862</u>	<u>182,816</u>
Net Assets		<u>4,855,165</u>	<u>4,618,817</u>	<u>4,665,274</u>
Equity		<u>4,855,165</u>	<u>4,618,817</u>	<u>4,665,274</u>

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

Buckland's Beach Intermediate Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		1,289,863	1,217,760	1,268,706
Locally Raised Funds		553,686	754,612	654,065
International Students		137,596	169,006	270,111
Payments to Employees		(598,007)	(607,196)	(599,910)
Payments to Suppliers		(1,026,909)	(1,294,376)	(1,084,380)
Interest Received		18,206	16,683	40,635
Net cash from/(to) Operating Activities		374,435	256,489	549,227
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		1,092	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(75,630)	(119,370)	(345,481)
Purchase of Investments		(327,829)	(799,848)	133,521
Net cash from/(to) Investing Activities		(402,367)	(919,218)	(211,960)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	16,024
Finance Lease Payments		(31,855)	(31,855)	(10,722)
Funds Administered on Behalf of Third Parties		(26,137)	-	-
Net cash from/(to) Financing Activities		(57,992)	(31,855)	5,302
Net increase/(decrease) in cash and cash equivalents		(85,924)	(694,584)	342,569
Cash and cash equivalents at the beginning of the year	8	894,584	894,584	552,015
Cash and cash equivalents at the end of the year	8	808,660	200,000	894,584

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.

Bucklands Beach Intermediate

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Finance Lease Payments

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

e) Cash and Cash Equivalents

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

f) Accounts Receivable

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

g) 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.

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 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	20 years
Furniture and equipment	10 years
Information and communication technology	5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

i) Impairment of property, plant, and equipment

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 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.

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.

l) Revenue Received in Advance

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

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

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 an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

n) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets are categorised as 'financial assets measured at amortised cost' 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.

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.

u) Services received in-kind

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

2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	1,135,794	1,064,760	1,215,733
Teachers' Salaries Grants	3,464,908	2,800,000	3,395,232
Use of Land and Buildings Grants	2,089,627	3,039,681	3,039,681
Other MoE Grants	154,069	150,000	195,359
	6,844,398	7,054,441	7,846,005

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Donations & Bequests	232,476	257,744	223,752
Curriculum Related Activities	26,925	23,000	-
Fees for Extra Curricular Activities	177,293	312,068	241,393
Trading	153,420	148,800	127,355
Fundraising & Community Grants	10,735	13,000	11,600
	600,849	754,612	604,100
Expenses			
Extra Curricular Activities Costs	181,283	320,068	249,089
Trading	79,527	105,000	88,492
Other Locally Raised Funds Expenditure	28,150	30,000	-
	288,960	455,068	337,581
<i>Surplus for the year Locally raised funds</i>	311,889	299,544	266,519

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	16	12	28
Revenue			
International Student Fees	194,915	146,916	356,562
Expenses			
Other Expenses	29,554	15,300	39,364
	29,554	15,300	39,364
<i>Surplus for the year International Students</i>	165,361	131,616	317,198

5. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	145,406	183,980	241,966
Information and Communication Technology	67,770	114,462	36,960
Library Resources	4,964	3,000	3,120
Employee Benefits - Salaries	3,816,154	3,176,888	3,746,679
Staff Development	42,939	86,600	41,830
	<u>4,077,233</u>	<u>3,564,930</u>	<u>4,070,555</u>

6. Administration

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Audit Fee	7,648	8,700	8,096
Board Fees	4,840	5,700	5,664
Board Expenses	4,504	7,500	17,849
Communication	1,375	2,000	1,590
Consumables	27,113	21,720	57,736
Other	22,054	45,685	9,764
Employee Benefits - Salaries	163,356	146,011	146,458
Insurance	16,101	11,000	17,948
Service Providers, Contractors and Consultancy	12,068	10,900	9,500
	<u>259,059</u>	<u>259,216</u>	<u>274,605</u>

7. Property

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	91,303	91,192	86,827
Cyclical Maintenance Provision	22,130	33,483	22,130
Grounds	4,185	5,261	4,652
Heat, Light and Water	23,270	34,161	30,642
Repairs and Maintenance	110,595	79,500	34,968
Use of Land and Buildings	2,089,627	3,039,681	3,039,681
Security	8,153	9,000	10,283
Employee Benefits - Salaries	111,965	109,200	103,818
	<u>2,461,228</u>	<u>3,401,478</u>	<u>3,333,001</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.

8. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	808,660	200,000	894,584
Cash and cash equivalents for Statement of Cash Flows	<u>808,660</u>	<u>200,000</u>	<u>894,584</u>

Of the \$808,659 Cash and Cash Equivalents, \$102,201 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2021 on Crown owned school buildings.

Of the \$808,659 Cash and Cash Equivalents, \$111,687 is held by the School. This funding is relates to international student fees paid in advance for tuition in 2022. If these requirements are not met, the funds will need to be returned.

Of the \$808,659 Cash and Cash Equivalents, \$10,633 is held by the School in relation to 2022 school donations and camp fees paid in advance.

9. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables from the Ministry of Education	276,712	-	159,851
Interest Receivable	5,432	7,647	4,037
Banking Staffing Underuse	16,050	-	-
Teacher Salaries Grant Receivable	305,085	254,648	254,648
	<u>603,279</u>	<u>262,295</u>	<u>418,536</u>
Receivables from Exchange Transactions	5,432	7,647	4,037
Receivables from Non-Exchange Transactions	597,847	254,648	414,499
	<u>603,279</u>	<u>262,295</u>	<u>418,536</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	1,003,050	2,298,794	1,498,942
Non-current Asset			
Long-term Bank Deposits	823,721	-	-
Total Investments	<u>1,826,771</u>	<u>2,298,794</u>	<u>1,498,942</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$
Building Improvements	2,042,647	11,219		(167,651)	1,886,215
Furniture and Equipment	340,291	32,900		(76,396)	296,795
ICT	94,704	27,965	(185)	(46,222)	76,262
Leased Assets	77,335	26,564	1,962	(53,641)	52,220
Library Resources	33,167	3,546	(1,092)	(4,453)	31,168
Balance at 31 December 2021	2,588,144	102,194	685	(348,363)	2,342,660

The following note can be used for each class of asset that are held under a finance lease:

The net carrying value of equipment held under a finance lease is **\$52,220 (2020: \$77,335)**

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	3,561,537	(1,675,320)	1,886,217	3,550,316	(1,507,669)	2,042,647
Furniture and Equipment	1,273,421	(980,903)	292,518	1,373,412	(1,033,121)	340,291
ICT	659,464	(578,928)	80,536	494,769	(400,065)	94,704
Motor Vehicles	93,089	(93,089)	-	93,089	(93,089)	-
Leased Assets	117,167	(64,947)	52,220	139,544	(62,209)	77,335
Library Resources	109,705	(78,536)	31,169	109,772	(76,605)	33,167
Balance at 31 December	5,814,383	(3,471,723)	2,342,660	5,760,902	(3,172,758)	2,588,144

12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	19,683	7,567	7,567
Accruals	6,834	6,800	6,800
Employee Entitlements - Salaries	330,097	254,648	254,648
Employee Entitlements - Leave Accrual	28,451	24,903	24,903
	385,065	293,918	293,918
Payables for Exchange Transactions	385,065	293,918	293,918
	385,065	293,918	293,918

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
International Student Fees in Advance	111,687	22,090	169,006
Other revenue in Advance	10,633	-	61,406
	<u>122,320</u>	<u>22,090</u>	<u>230,412</u>

14. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	147,730	147,730	125,600
Increase/ (decrease) to the Provision During the Year	22,130	33,483	22,130
Provision at the End of the Year	<u>169,860</u>	<u>181,213</u>	<u>147,730</u>
Cyclical Maintenance - Current	36,083	-	-
Cyclical Maintenance - Term	133,777	181,213	147,730
	<u>169,860</u>	<u>181,213</u>	<u>147,730</u>

15. Finance Lease Liability

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
No Later than One Year	31,000	15,146	31,855
Later than One Year and no Later than Five Years	35,559	29,344	35,086
Future Finance Charges	(6,449)	(5,404)	-
	<u>60,110</u>	<u>39,086</u>	<u>66,941</u>
Represented by			
Finance lease liability - Current	26,999	10,437	31,855
Finance lease liability - Term	33,111	28,649	35,086
	<u>60,110</u>	<u>39,086</u>	<u>66,941</u>

16. Funds Held for Capital Works Projects

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

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block 4 Hall Toilet Upgrade	2,592	-	-	(2,592)	-
Block 9 (Rm 28) Upgrade	(36,170)	-	(160,417)	36,170	(160,417)
Electrical Hall & Staff Upgrade	1,581	-	-	(1,581)	-
Team D Toilet Block & Refurbish	(23,043)	-	(65,074)	-	(88,117)
Weathertightness	3,695	154,302	(55,796)	-	102,201
SIP Projects (excl Block 9)	(97,028)	208,365	(168,105)	28,590	(28,178)
Totals	(148,373)	362,667	(449,392)	60,587	(174,511)

Represented by:

Funds Held on Behalf of the Ministry of Education	102,201
Funds Due from the Ministry of Education	(276,712)
	(174,511)

2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block 4 Hall Toilet Upgrade	18,590	-	(15,998)	-	2,592
Block 9 (Rm 28) Upgrade	-	-	(36,170)	-	(36,170)
Electrical Hall & Staff Upgrade	-	13,220	(11,639)	-	1,581
Team D Toilet Block & Refurbish	(8,038)	148,243	(163,249)	-	(23,043)
Weathertightness	-	23,000	(19,305)	-	3,695
SIP Projects (excl Block 9)	(23,678)	-	(73,349)	-	(97,028)
Totals	(13,126)	184,463	(319,710)	-	(148,373)

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. Serena Griffiths is a related party as an employee and wife of BOT Parent Representative. The Principal's husband transacts with the school as owner of Powerswap (at minimal cost) and DPM Marketing (max \$1500 annually).

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	4,840	5,664
<i>Leadership Team</i>		
Remuneration	509,247	468,805
Full-time equivalent members	4	4
Total key management personnel remuneration	514,087	474,469

There are seven members of the Board excluding the Principal. The Board had held eleven full meetings of the Board in the year. The Board also has Finance (two members) and Property (one member) that meet monthly and quarterly respectively. 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	180-190	160-170
Benefits and Other Emoluments	5-10	-
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	2
110-120	2	0
	5.00	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) \$223,500 contract for the Block 9 (Rm 28) upgrade to be completed in 2022 which will be funded by \$170,000 SIP from the Ministry of Education and \$53,500 by the Board of Trustees. \$36,170 has been expensed on the project to date.

(b) \$1,152,360 contract for the Team D Toilet Block & upgrade to be completed in 2022 which will be fully funded by the Ministry of Education. \$1,064,243 has been received from the Ministry and \$1,152,360 has been expensed on the project to date.

(c) The total value of the Weathertightness contract is yet to be determined but it has been approved by and will be fully funded by the Ministry of Education. To date \$177,302 has been received from the Ministry and \$75,101 expensed leaving a balance of \$102,201 held on behalf of the Ministry as at the end of year.

(d) SIP Projects (Bus Bay Tarseal, Landscaping, Wifi Upgrade, Cooling Fans, Fitness Trail & Cricket Pitch) Totalling \$265,133 to be completed in 2022 which will be funded by the Ministry of Education and \$28,590 by the Board of Trustees. \$265,133 has been expensed on the project to date and \$208,365 received from the Ministry.

(b) Operating Commitments

As at 31 December 2021 the Board had not entered into any Operating Commitments (2020 - Nil)

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	808,660	200,000	894,584
Receivables	603,279	262,295	418,536
Investments - Term Deposits	1,826,771	2,298,794	1,498,942
Total Financial assets measured at amortised cost	<u>3,238,710</u>	<u>2,761,089</u>	<u>2,812,062</u>

Financial liabilities measured at amortised cost

Payables	385,065	293,918	293,918
Finance Leases	60,110	39,086	66,941
Total Financial Liabilities Measured at Amortised Cost	<u>445,175</u>	<u>333,004</u>	<u>360,859</u>

23. Events After Balance Date

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

24. COVID 19 Pandemic on going implications

Impact of Covid-19

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

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

Impact on operations

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

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

Reduction in locally raised funds

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

Increased Remote learning additional costs

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

Reduction in International students

Under alert levels 4, 3, 2, and 1 International travel is heavily restricted. The school has been unable to welcome and enrol prospective international students which has resulted in a reduction in revenue from student fees & charges from International students and/or Board of Trustee operated boarding facilities.

Cleaning

The school incurred significant additional cleaning costs to ensure the school environment was compliant with COVID protocols.

Buckland's Beach Intermediate School PRINCIPAL'S REPORT

and ANALYSIS of VARIANCE

For the year ending
31 DECEMBER 2021

"Whaia te Tikitiki – Reach for the Heights"

On reflection of 2021, it has been an unusual year, with lockdowns and a global pandemic. Given these unprecedented times, our school achievements may not have been as diverse but nevertheless, there have been outstanding achievements. Such success is attributed to the student achievement and the capable Board of Trustees governance, facilitated by excellent teaching and support staff, with positive community involvement.

We have continued to reflect on and review our teaching and learning programmes through the International Baccalaureate, Primary years Programme. These programmes are truly trans-disciplinary – teaching and learning through authentic contexts with a rigorous framework. Having another form of external audit, in the form of International educators assists with continued momentum of quality learning across the school. In 2021, we received an evaluation of our delivery of the IB PYP. This became a year of reviewing and re-writing many aspects of our BBI Scope and Sequence Curriculum.

The final few weeks of 2021 however, was one of catching up on all the opportunities including: data gathering; analysis; moderation of summative data. From here areas for development for 2021 have been set.

It is pleasing to be able to report once again on a academically successful year at BBI. Credit needs to be given to our families who supported the online learning programmes.

Each year we lose so many outstanding students and we always wonder how they will be replaced. It is great to see year after year others who step up and achieve so highly in so many different fields. There are those who come along every year that take real advantage of the opportunities offered at this school and achieve highly.

Many of these successes are reported in the School Yearbook. This is issued to students at the end of the school year. A detailed and comprehensive overview of the year can be found in the "Year in Review" document where this analysis of variance is included. This document provides a comprehensive account of the year, with achievements, target results, working project outcomes, and a summary of significant events all included. We see this document as our overall summary for the year.

It is always satisfying to see our students continuing to excel in all areas of the curriculum, whether it is in the academic, performing arts, cultural, community service or sporting fields. It is a credit to them, to their families and to the commitment of the staff working here that over the years this school has been able to continue to deliver quality outcomes year after year.

The final summative collection of data can be seen throughout the Year in Review document.

In Summary:

Area of Strength – Music, Reading and Mathematics.

With 7 students achieving a perfect score in ICAS Mathematics. Across the school you can see how mathematics is emphasized.

Areas for Development – Writing and Science.

This is always below the achievement of Mathematics and Reading. We also believe that the content knowledge of science continues to be a need across the school – not only for students but also for staff. We will continue to extend our professional development in this area and it will be a target area (along with writing) for 2022.

PRIORITY AREAS FOR IMPROVING STUDENT ACHIEVEMENT in 2021:

Target Areas for 2021

1. To raise achievement in Science.
2. To raise achievement in Writing, with a focus on accelerated learning.

As previously stated there are many other successes that could be reported upon. The "Year in Review" provides a great deal more information.

Annually the school sets priority learning targets and reports on student improvement against these targets. Our overall priority is to lift student achievement. All that we do is focussed towards this goal. Each year however we do identify our needs and set specific targets against which we report in the annual plan.

For a fuller statement with respect to overall school goals and achievements throughout the year the "Year in Review" document should be read. This is available either directly from the school or via the school's website – www.bbi.school.nz

In 2022, we will endeavour to focus on three target areas related to Writing, Science and NZ Histories. Accompanied the targets for next year will be our Professional Learning Project Groups. With the limited time in 2021, we have not completed the goals and actions. Our PLGs will be refreshed and evaluated in 2022. Following on from this, we will continue to link our PLGs to the NELPs – National Education Learning Priorities. These have been considered when the senior leadership team, staff and parents, reviewed our strategic plan. We hope that 2022, sees no lockdowns and a smooth transition into the new year.

Diane Parkinson

Principal

Buckland's Beach Intermediate school.



BUCKLANDS BEACH INTERMEDIATE SCHOOL

Principal:

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BUCKLANDS BEACH
Auckland, 2012
Phone: 09 534 288
www.bbischool.nz
email: mailbox@bbischool.nz

KIWISPORT

Kiwisport is a government funding initiative to support students' participation in organised sport.

In 2021 Bucklands Beach Intermediate School received funding of \$11,509. The funding was spent on funding sports equipment.

The number of students participating in organised sport is 100% of the school roll.

Signed by Principal

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF BUCKLANDS BEACH INTERMEDIATE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Bucklands Beach Intermediate School (the School). The Auditor-General has appointed me, Junita Sen using the staff and resources of BDO Auckland, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 5 to 21, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2021; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as Tier 2.

Our audit was completed on 9 August 2022. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the 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 information included on pages 22 to 24, 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.



Junita Sen
BDO Auckland
On behalf of the Auditor-General
Auckland, New Zealand