



**TO THE READERS OF BANKWOOD SCHOOL'S FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

## Opinion

In our opinion the financial statements of the School:

- Our audit was completed on 17 May 2022. This is the date at which our opinion is expressed.

## Basis for our opinion

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

## Responsibilities of the Board for the financial statements

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.



**CHARTERED ACCOUNTANT**  
and Financial Adviser

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

### **Responsibilities of the auditor for the audit of the financial statements**

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

### **Other information**

The Board is responsible for the other information. The other information comprises the information included on page 1 Statement of Responsibility, Members of the Board schedule, page 19 Kīwisport note, Analysis of Variance report on pages 1 to 8, cover page and index page, 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.



R K Owen  
Owen McLeod & Co Limited  
On behalf of the Auditor-General  
Hamilton, New Zealand



Dear Board Members,

## 1. Introduction

This letter has been prepared for the Board Members and is intended only for use by you. We accept no responsibility to any other party in relation to whole or part of its contents.

We are responsible for conducting the 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) (ISA (NZ)) issued by the New Zealand Auditing and Assurance Standards Board, and forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

The audit was completed and dated 17 May 2022.

We have issued our unmodified audit opinion on the financial statements for the year ended 31 December 2021.

The financial statements were prepared on the basis that the school is a going concern. As required by the Office of the Auditor-General, we reviewed this assumption in terms of the criteria set out in the Auditing Standard ISA (NZ) 570. Based on the supporting evidence we concluded that the use of the going concern assumption was appropriate given the School's funding sources and its operating budget for the following financial period.

enquiries@owenmcleod.co.nz  
www.owenmcleod.co.nz



## **6. Management Judgements and Estimates**

Under International Standards on Auditing (NZ) we have a responsibility to communicate with management and the governing body the process used by the School in forming particularly sensitive accounting estimates, assumptions or valuation judgements. Overall, we note that the judgements and estimates by management in preparing the results for the year ended 31 December 2021 appear reasonable.

The most significant areas of judgement, assumptions and estimates by management relate to:

- Provision for cyclical maintenance and cyclical maintenance expense
- Depreciation rates to ensure that fixed assets are written off over their estimated useful lives

We are not aware of any other sensitive accounting estimates, assumptions or valuation judgements made by the School.

## **7. Materiality**

In the context of an audit, materiality means, if financial information is omitted, misstated or not disclosed it has the potential to affect the decisions of users of the financial statements. Materiality is used by auditors in making judgements on the level of work to be performed, which items and balances require work and for the evaluation of the financial report. Materiality is initially calculated at the planning stage and has an influence on the level of work we do. Materiality is not only based on a numeric quantification but is assessed qualitatively for some balances and disclosures.

Auditing Standards do not require us to communicate misstatements that are considered “clearly trivial” and as such, if we identify such misstatements, we will not communicate these to you. We consider “clearly trivial” to be 5% or less of our planned materiality.

## **8. Probity, Waste and Performance**

We are required to consider whether any approved payments could be considered extravagant or wasteful, or show a lack of probity or financial prudence. We have tested a sample of expenses for the year, and we did not identify any such items to report. However, we remind you of the importance to remain vigilant in your oversight of school expenditure.

## **9. Findings Arising from the Audit**

### **School payroll controls**

We consider the main risk to the accuracy of payroll payments is transactions being incorrectly processed, because of either fraud or error. The EdPay system relies on schools checking the accuracy of the payroll transactions processed by the school, as this information is not checked centrally.

To ensure the accuracy of payroll payments, our expectation has been that schools had the following key controls:

- effective access controls to EdPay, limiting access to “authorised users”;
- changes to Masterfile data – such as bank account changes, new starters, or payments to non-salaried staff (such as relievers) - have appropriate supporting documentation and are appropriately authorised;
- checking of the fortnightly draft payroll (SUE) report and Novopay Online transactions report for accuracy; and
- review of the final fortnightly payroll (SUE) report by someone independent of staff who has access to EdPay.

During the year the Novopay Online transaction report was discontinued (in October 2021), and from about mid-2021 had not been a complete record of all transactions.

We do not consider that the review of the SUE report on its own is a strong enough control for schools to rely on to detect fraud or error, because it does not include details of changes to pay, or Masterfile changes. The lack of a complete Masterfile change report could also potentially provide an opportunity for a fraud to go undetected.



### ***Updated guidance on payroll controls is now available***

Updated guidance on the controls within EdPay that should be operating at schools has recently been published on the EdPay website. The main change is that the Novopay Online transaction report has been replaced by several reports. To review and approve pay changes the following transaction histories should be saved, checked, and signed, ideally after transactions have been processed and prior to payment:

- timesheet history
- leave history
- activity history.

To ensure controls are effective schools also need to ensure that:

- there is segregation of duties between the processing and approval of payroll transactions;
- access to EdPay is controlled;
- payroll transactions are approved in line with delegations; and
- approvals are appropriately documented.

The guidance and resources on payroll controls for schools are available on the [training page](#) of the EdPay website. They consist of:

- A checklist of best practice payroll controls - [School internal processes and controls – payroll](#).
- A video - [How to use EdPay transaction histories \(for checking and approving transactions\)](#).
- A printable 'how to' guide showing the transaction checking process - [Checking transactions using the activity history and timesheet and leave histories](#).

### ***No current report in EdPay to check and approve Masterfile changes***

The online activity history for Masterfile changes, such as bank account and other changes to personal details within EdPay is still in development. The updated payroll guidance (referred to above) does suggest some interim procedures, consisting of taking screen shots of changes and having those approved. However, as this will not provide a list of all changes made, the Board needs to consider how it gets comfort that all changes are made with appropriate authorisation. Without a list of all Masterfile changes that can be approved by a second person (as segregation of duties is required for an effective control), this remains an area susceptible to fraud.

We recommend that the Board ask management for assurance that appropriate controls are in place at the school over payroll transactions, consistent with the updated guidance.

### **Board Minutes**

Board meeting minutes demonstrate to stakeholders that the school/kura and its' board act appropriately and in accordance with legal and contractual requirements. They also document that principles of good governance and informed decision-making are being followed. The minutes should record the following matters:

- Review and approval of the annual audited financial statements;
- Review and approval of the annual cyclical maintenance plan (painting);
- Review and approval of the School Annual Accrual Report (end of year payroll report);
- Review and approval of the budget (including an income statement, balance sheet, and cash flow), budget should include teachers' salary and notional lease;
- Review and approval of monthly financial statements;
- Approval of payments.

We are satisfied that the School has documented the approvals in the minutes.

### **GST on Montana Catering/Bitelab remittance**

During the audit we noted that it appears that remittance from Montana Catering (bitelab) from the lunches scheme appears to be a koha/donation. This is also consistent with the MOU supplied. At the time the school is returning GST on these remittance. If it is donation there is no GST on it. We suggest that you clarify with Montana Catering/Bitelab as to its nature and if it is a donation then there is no GST, if it is a rebate to assist with associated costs then it would be more of a service - with GST. You can discuss this further with your Accountant.

## **Independent checks on Payroll**

During the school visit, we noted that there is no evidence that Principal / Board Member independently checks and signs off each fortnightly Staff Usage and Expenditure Report (SUE report). To strengthen the payroll controls, we recommend that the person who is responsible for the independent check on fortnightly SUE report evidence their review by initialing the SUE report as well as other reports that EdPay published (i.e., timesheet history, leave history, activity history) as explained above – School payroll controls.

## **Sensitive expenditure**

The Auditor-General's auditing standards require us to test a sample of sensitive expenditure, and also be alert to matters that may indicate waste, or show a lack of probity or financial prudence. Sensitive expenditure is any spending by an organisation that could be seen to be giving private benefit to staff additional to the business benefit to the organisation.

The OAG has also identified the following focus areas for auditors to be aware of when carrying out this testing.

### *Use of Credit Cards*

The OAG has observed that many schools have poor controls over credit cards, with many monthly statements not being approved by an independent person. Poor controls increase the risk of misuse of credit cards, including for personal use. This also includes the use of debit cards, fuel cards and overseas currency cards (which are essentially cash).

### *Expenses incurred by the Chairperson and the Principal*

The OAG has also observed that many schools have poor controls over expenses incurred by the Principal and Chairperson, with many invoices not being approved by an independent person. Poor controls increase the risk of misuse of school funds, including for personal use.

We would expect to see 'one-up' approval, meaning review and approval by someone more senior. This means the Board Chairperson must authorise payments on the Principal's credit card and Principal's expenses, and staff credit cards should be approved by the Principal.

### *What we did*

We have tested a sample of expenses for the year, including reimbursements of expenses and credit cards.

### *What we found*

No specific concerns or findings were noted. However, we remind you of the importance to remain vigilant in your oversight of expenditure of the school.

## **Conflicts of interest – Good practice resources available**

The risk of conflicts of interest in small communities, which many schools operate in, is inherently high, because the Board, Principal, and other employees are often living in the same communities their school services. There is a particular risk of conflict in the decision-making processes used to appoint new employees and contractors, as well as the purchase of goods and services. However, having a conflict of interest does not necessarily mean you have done anything wrong, what is important is how the conflict is managed.

The Office of the Auditor-General have a good practice guide on [managing conflicts of interest](#) as well as other resources, available on its website. We encourage you to make use of these resources.



## 10. Adjusted and Unadjusted misstatements

Please find attached Appendix 1 lists adjusted misstatements found during the course of our work.

There were no unadjusted misstatements.

## 11. Key Financial Statement Audit Risks and Issues to be Communicated

Key Matters	Responses
Revenue Recognition	We documented the revenue systems, carried out appropriate controls testing and substantive audit procedures to address the risk of fraud in revenue recognition. We did not identify any material errors in relation to revenue recognition, whether due to fraud.
Locally Raised Funds	We documented the system on Locally Raised Funds, assessed the control environment and completed analytical audit procedures to address the risk of material misstatements around the completeness of locally raised funds due to its nature-often being cash. We have not identified any material misstatements, due to fraud.
Payroll	Payroll is processed by Novopay / EdPay. The reliability of payroll processing is dependent on appropriate approval of payroll changes, checking of the fortnightly SUE report and review of School Annual Accrual Report (SAAR). We have discussed with management and documented controls on payroll, carried out control testing, analytical procedures and substantive audit procedures to address the risk identified on payroll. We have not identified any material misstatements in payroll, whether due to fraud or error. However, we have made some recommendations in this letter.
Cyclical Maintenance Provision	Cyclical Maintenance is an area of judgement and could lead to material misstatement in the financial statements. For schools to be able to calculate the appropriate provision a painting plan needs to be prepared and/or reviewed by a suitably qualified person. We have obtained and reviewed the School's Plan and assessed that the provision at balance date is reasonably correct.
Management override	We have discussed with management controls on expenditure authorisation, tested manual journals, reviewed accounting estimates and significant transactions that are outside the normal course of business to address the presumed significant risk on management override. We have not identified any instances of management override.
Qualitative Aspects of Accounting Practices	The accounting policies used by the entity are consistent with the previous year. We reviewed the accounting policies, accounting estimates and financial disclosures, we believe that these are appropriate.
Significant difficulties	During the audit, we encountered no significant difficulties.
Disagreements with Management	We have had no disagreements with management during our audit nor have we had any serious difficulties in dealing with management.
Written management representations	We received the standard signed representation letter for the year ended 31 December 2021. No other specific representations were requested.
Other information	No material inconsistencies or misstatements were identified relating to the other information in the financial statements.
Other Significant matters	No other significant matters were raised from the audit.

<i>Key Matters</i>	<i>Responses</i>
Auditor Independence	We reaffirm we are independent of your organisation, and that we have no relationships with your organisation that impairs our independence.
Going Concern	No material uncertainties related to going concern were noted.
Non-compliance with Law or regulation	We have not identified any instances of noncompliance with Law or regulation.
Significant deficiencies in internal control	No significant deficiencies in internal control were noted, however we have made some recommendations in this letter.
Fraud	We have not identified any instances of fraud involving senior management or any other frauds that have caused material misstatement in the financial statements.
Significant Risks	We have not noted any significant risks or exposures that are required to be separately disclosed in the financial statements.

## 12. Conclusion

We remind the school to submit a single PDF file of your annual report, including audited financial statements and required signatures to the Ministry of Education via the Ministry's [School Data Portal \(external link\)](#). These audited accounts must be minuted at your next Board Members' meeting.

Please advise us in due course of the actions you propose to take in relation to the matters raised in this letter.

We wish to acknowledge the friendly assistance provided by your staff during the audit. If there is any further information you require, please do not hesitate to contact us.

Yours faithfully  
Owen McLeod & Co Ltd



Richard Owen

# **BANKWOOD SCHOOL**

Annual Report - For the year ended 31 December 2021

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### **Other Information**

Analysis of Variance

Kiwisport

# BANKWOOD SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

**Ministry Number:** 1693

**Principal:** Kay Cleaver

**School Address:** 152 Bankwood Road, Hamilton

**School Postal Address:** P O Box 12196, Chartwell, Hamilton 3248

**School Phone:** 07 855 7763

**School Email:** [schooladmin@bankwood.school.nz](mailto:schooladmin@bankwood.school.nz)

#### Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Tania Abrams	Presiding Member	Elected	Jun-22
Kay Cleaver	Principal ex Officio	ex Officio	
Ngahuia Cooper	Parent Representative	Elected	Jun-22
Tommy Allan	Parent Representative	Elected	Jun-22
Vanessa Williams	Parent Representative	Elected	Jun-22
Amanda Davis	Parent Representative	Elected	Jun-22
Diane Rumble	Staff Representative	Elected	Resigned 13/12/21

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

# Bankwood School

## Statement of Responsibility

For the year ended 31 December 2021

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

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

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

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

Ngahua Cooper

Full Name of Presiding Member *DEPUTY CHAIR*

Toni Holford

Full Name of Principal

N Cooper

Signature of Presiding Member

M Holford (acting Principal)

Signature of Principal

13-5-2022

Date:

13-5-2022

Date:



# Bankwood School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	3,539,765	2,983,226	3,029,800
Locally Raised Funds	3	49,154	56,450	24,509
Interest Income		5,039	8,000	10,371
		3,593,958	3,047,676	3,064,680
<b>Expenses</b>				
Locally Raised Funds	3	7,446	-	6,415
Learning Resources	4	2,321,759	2,241,753	2,013,239
Administration	5	388,382	150,000	123,651
Finance		3,516	-	4,770
Property	6	625,103	623,500	754,058
Depreciation	11	64,957	38,500	66,091
Loss on Disposal of Property, Plant and Equipment	11	1,387	-	1,091
		3,412,550	3,053,753	2,969,315
<b>Net Surplus / (Deficit) for the year</b>		181,408	(6,077)	95,365
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		181,408	(6,077)	95,365

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



# Bankwood School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>		1,127,134	1,127,134	1,261,668
Total comprehensive revenue and expense for the year		181,408	(6,077)	95,365
Capital Contributions from the Ministry of Education		-	-	10,101
Contribution - Furniture and Equipment Grant		-	-	(240,000)
Capital Contributions from the Board		-	-	-
<b>Equity at 31 December</b>		1,308,542	1,121,057	1,127,134
Retained Earnings		1,308,542	1,121,057	1,127,134
Reserves		-	-	-
<b>Equity at 31 December</b>		1,308,542	1,121,057	1,127,134

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.



# Bankwood School

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	451,203	292,257	287,265
Accounts Receivable	8	188,730	161,200	161,931
GST Receivable		7,232	10,000	10,439
Prepayments		7,862	7,500	2,823
Inventories	9	3,515	3,500	2,894
Investments	10	463,205	450,000	458,142
		1,121,747	924,457	923,494
<b>Current Liabilities</b>				
Accounts Payable	12	193,075	184,500	183,980
Revenue Received in Advance	13	16,486	16,000	10,643
Painting Contract Liability	15	10,094	10,000	15,250
Finance Lease Liability	16	13,900	14,000	15,302
Funds held in Trust	17	18,970	18,900	18,970
Funds held for Capital Works Projects	18	300	-	-
		252,825	243,400	244,145
<b>Working Capital Surplus/(Deficit)</b>		868,922	681,057	679,349
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	508,245	508,000	520,524
		508,245	508,000	520,524
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	54,153	54,000	43,323
Painting Contract Liability	15	-	-	4,938
Finance Lease Liability	16	14,472	14,000	24,478
		68,625	68,000	72,739
<b>Net Assets</b>		1,308,542	1,121,057	1,127,134
<b>Equity</b>		1,308,542	1,121,057	1,127,134

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



# Bankwood School

## Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,035,894	598,434	907,371
Locally Raised Funds		55,802	56,750	34,337
Goods and Services Tax (net)		1,230	-	(887)
Payments to Employees		(568,507)	(348,557)	(461,421)
Payments to Suppliers		(283,443)	(364,796)	(264,752)
Cyclical Maintenance Payments in the year		-	-	(7,811)
Interest Paid		(3,516)	-	(4,770)
Interest Received		5,421	8,500	11,721
Net cash from/(to) Operating Activities		242,881	(49,669)	213,788
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(55,830)	91,500	(109,755)
Purchase of Investments		(5,063)	-	(11,136)
Net cash from/(to) Investing Activities		(60,893)	91,500	(120,891)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	10,101
Finance Lease Payments		(8,255)	(14,000)	(10,478)
Painting contract payments		(10,094)	(10,000)	(10,094)
Funds Administered on Behalf of Third Parties		299	900	-
Net cash from/(to) Financing Activities		(18,050)	(23,100)	(10,471)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>163,938</b>	<b>18,731</b>	<b>82,426</b>
Cash and cash equivalents at the beginning of the year	7	287,265	273,526	204,839
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>451,203</b>	<b>292,257</b>	<b>287,265</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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



# Bankwood School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

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

##### b) Basis of Preparation

###### *Reporting Period*

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

###### *Basis of Preparation*

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

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

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

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

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

###### *Measurement Base*

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

###### *Presentation Currency*

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

###### *Specific Accounting Policies*

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

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

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

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

###### *Cyclical maintenance*

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

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

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

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

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

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

### **g) Accounts Receivable**

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



#### **h) Inventories**

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

#### **i) Investments**

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

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

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

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

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

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

#### **Finance Leases**

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

#### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

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

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

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

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

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

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

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

#### **l) Accounts Payable**

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



**m) Employee Entitlements**

*Short-term employee entitlements*

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

**n) Revenue Received in Advance**

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

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

**o) Funds Held in Trust**

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

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

**p) 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.

**q) Financial Instruments**

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

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.

**r) Borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

**s) 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.

**t) 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	813,553	670,226	743,433
Teachers' Salaries Grants	1,874,816	1,880,000	1,559,158
Use of Land and Buildings Grants	413,171	413,000	553,848
Other MoE Grants	438,225	20,000	173,361
	<u>3,539,765</u>	<u>2,983,226</u>	<u>3,029,800</u>

The school has opted in to the donations scheme for this year. Total amount received was \$48,450.

## 3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
<b>Revenue</b>			
Donations & Bequests	26,527	48,450	8,299
Fees for Extra Curricular Activities	1,435	-	2,689
Trading	8,063	-	7,269
Other Revenue	13,129	8,000	6,252
	<u>49,154</u>	<u>56,450</u>	<u>24,509</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	1,530	-	696
Trading	5,916	-	5,719
	<u>7,446</u>	<u>-</u>	<u>6,415</u>
<b>Surplus for the year Locally raised funds</b>	<u>41,708</u>	<u>56,450</u>	<u>18,094</u>

## 4. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	30,376	55,796	27,448
Information and Communication Technology	18,476	33,400	24,815
Employee Benefits - Salaries	2,258,135	2,108,557	1,939,119
Staff Development	14,772	44,000	21,857
	<u>2,321,759</u>	<u>2,241,753</u>	<u>2,013,239</u>



## 5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	4,888	4,700	4,700
Board Fees	2,995	4,000	3,255
Communication	11,535	15,000	11,975
Consumables	3,383	6,700	5,064
Operating Lease	5,888	20,000	5,597
Other	268,198	13,500	8,592
Employee Benefits - Salaries	74,808	70,000	69,104
Insurance	8,637	9,100	8,474
Service Providers, Contractors and Consultancy	8,050	7,000	6,890
	<u>388,382</u>	<u>150,000</u>	<u>123,651</u>

## 6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	6,167	7,000	7,781
Consultancy and Contract Services	34,606	37,000	30,950
Cyclical Maintenance Provision	19,201	18,000	18,642
Grounds	15,405	15,500	11,741
Heat, Light and Water	25,320	31,000	19,815
Rates	4,201	7,500	6,468
Repairs and Maintenance	60,639	50,500	54,881
Use of Land and Buildings	413,171	413,000	553,848
Security	2,180	4,000	1,754
Employee Benefits - Salaries	44,213	40,000	48,178
	<u>625,103</u>	<u>623,500</u>	<u>754,058</u>

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

## 7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	451,203	292,257	287,265
Cash and cash equivalents for Statement of Cash Flows	<u>451,203</u>	<u>292,257</u>	<u>287,265</u>

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





## 8. Accounts Receivable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Receivables	1,354	1,200	182
Receivables from the Ministry of Education	31,713	-	-
Interest Receivable	981	1,000	1,363
Banking Staffing Underuse	8,050	14,000	28,240
Teacher Salaries Grant Receivable	146,632	145,000	132,146
	<u>188,730</u>	<u>161,200</u>	<u>161,931</u>
Receivables from Exchange Transactions	2,335	2,200	1,545
Receivables from Non-Exchange Transactions	186,395	159,000	160,386
	<u>188,730</u>	<u>161,200</u>	<u>161,931</u>

## 9. Inventories

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Stationery	3,515	3,500	2,894
	<u>3,515</u>	<u>3,500</u>	<u>2,894</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	463,205	450,000	458,142
Total Investments	<u>463,205</u>	<u>450,000</u>	<u>458,142</u>



## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Work in Progress	5,818	(5,818)	-	-	-	-
Buildings	46,966	-	-	-	(2,113)	44,853
Furniture and Equipment	384,636	23,215	-	-	(32,522)	375,329
Information and Communication Technology	27,745	30,562	-	-	(12,976)	45,331
Leased Assets	33,370	3,894	-	-	(14,494)	22,770
Library Resources	21,989	2,211	-	(1,386)	(2,852)	19,962
<b>Balance at 31 December 2021</b>	<b>520,524</b>	<b>54,064</b>	<b>-</b>	<b>(1,386)</b>	<b>(64,957)</b>	<b>508,245</b>

The net carrying value of equipment held under a finance lease is \$22,770 (2020: \$33,370)

	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value	2020 Cost or Valuation	2020 Accumulated Depreciation	2020 Net Book Value
	\$	\$	\$	\$	\$	\$
Work in Progress	-	-	-	5,818	-	5,818
Buildings	84,447	(39,594)	44,853	84,447	(37,481)	46,966
Furniture and Equipment	657,138	(281,809)	375,329	676,579	(291,943)	384,636
Information and Communication Technology	79,035	(33,704)	45,331	77,165	(49,420)	27,745
Leased Assets	59,182	(36,412)	22,770	62,335	(28,965)	33,370
Library Resources	119,513	(99,551)	19,962	125,196	(103,207)	21,989
<b>Balance at 31 December</b>	<b>999,315</b>	<b>(491,070)</b>	<b>508,245</b>	<b>1,031,540</b>	<b>(511,016)</b>	<b>520,524</b>

## 12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	31,682	25,000	35,066
Accruals	9,232	9,000	8,844
Employee Entitlements - Salaries	146,632	145,000	132,146
Employee Entitlements - Leave Accrual	5,529	5,500	7,924
	<b>193,075</b>	<b>184,500</b>	<b>183,980</b>
 Payables for Exchange Transactions	 193,075	 184,500	 183,980
	<b>193,075</b>	<b>184,500</b>	<b>183,980</b>

The carrying value of payables approximates their fair value.



### 13. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	6,625	6,500	6,625
Other revenue in Advance	9,861	9,500	4,018
	<u>16,486</u>	<u>16,000</u>	<u>10,643</u>

### 14. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	43,323	43,323	32,492
Increase/ (decrease) to the Provision During the Year	10,830	18,000	10,831
Provision at the End of the Year	<u>54,153</u>	<u>61,323</u>	<u>43,323</u>
Cyclical Maintenance - Term	54,153	54,000	43,323
	<u>54,153</u>	<u>54,000</u>	<u>43,323</u>

### 15. Painting Contract Liability

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Due within one year	10,094	10,000	15,250
Due after one year	-	-	4,938
	<u>10,094</u>	<u>10,000</u>	<u>20,188</u>

In 2015 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering a seven year period. The programme provides for an exterior repaint of the Ministry owned buildings in 2016, with regular maintenance in subsequent years. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

### 16. 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	16,114	14,000	17,306
Later than One Year and no Later than Five Years	15,474	14,000	29,965
Future Finance Charges	(3,216)	-	(7,491)
	<u>28,372</u>	<u>28,000</u>	<u>39,780</u>
<b>Represented by</b>			
Finance lease liability - Current	13,900	14,000	15,302
Finance lease liability - Term	14,472	14,000	24,478
	<u>28,372</u>	<u>28,000</u>	<u>39,780</u>



## 17. Funds held in Trust

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	18,970	18,900	18,970
	18,970	18,900	18,970

The Funds are held in trust for the Deborah Campbell Foundation

## 18. 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

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
D Block Toilets - Project 221074		-	63,510	(63,510)	-	-
SIP Upgrade A, C & K and Playground		-	28,295	(27,995)	-	300
Totals		-	91,805	(91,505)	-	300

### Represented by:

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

300

-

300

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block B Refit		(255,150)	10,908	(10,908)	255,150	-
Roofing Maintenance		-	22,227	(27,252)	5,025	-
Totals		(255,150)	33,135	(38,160)	260,175	-

## 19. 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.



## 20. Remuneration

### Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	2,995	3,255
<i>Leadership Team</i>		
Remuneration	488,078	457,397
Full-time equivalent members	4	4
Total key management personnel remuneration	491,073	460,652

There are 5 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### Principal 1

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	150 - 160
Benefits and Other Emoluments	0 - 10	0 - 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
110 - 120	1	-
100 - 110	2	2
	3	2

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

## 21. 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	-	-
Number of People	-	-





## 22. 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.

## 23. Commitments

### (a) Capital Commitments

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

(a) \$282,945 SIP contract for an internal upgrade of Blocks A, C & K and Playground to be completed in 2022, which will be fully funded by the Ministry of Education. \$28,295 has been received of which \$27,995 has been spent on the project to date.

(Capital commitments at 31 December 2020: \$9,894)

### (b) Operating Commitments

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

Painting contract

No later than One Year

Later than One Year and No Later than Five Years

2021 Actual \$	2020 Actual \$
5,156	5,156
-	5,156
<u>5,156</u>	<u>10,312</u>



## 24. 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	451,203	292,257	287,265
Receivables	188,730	161,200	161,931
Investments - Term Deposits	463,205	450,000	458,142
Total Financial assets measured at amortised cost	<u>1,103,138</u>	<u>903,457</u>	<u>907,338</u>

### Financial liabilities measured at amortised cost

Payables	193,075	184,500	183,980
Finance Leases	28,372	28,000	39,780
Painting Contract Liability	10,094	10,000	20,188
Total Financial Liabilities Measured at Amortised Cost	<u>231,541</u>	<u>222,500</u>	<u>243,948</u>

## 25. Events After Balance Date

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



# Bankwood School

Year ending 31 December 2021

## Appendix 1

MOE Grant for ERS of \$22,085.87 (incl) was coded to donations (162), and no GST was taken off if - \$2,880.77. Adjustment made and moved to other MOE grants with GST adjustment

Code	Name	Group	Debit	Credit
	Other MOE grant	Income	-	19,205.00
	Donations & Bequests	Income	22,086.00	-
	GST Receivable	liabilities/ equity	-	2,881.00
			22,086.00	22,086.00

MOE grants that have been coded to payroll codes had been partly grossed up during the year, and again at year end adjustments. \$18,508.64 (code 273) & \$51,787.85 (code 274)

Code	Name	Group	Debit	Credit
	Other MOE grant	Income	18,509.00	-
	Employee benefits salaries - LR	expenses	-	18,509.00
	Other MOE grant	Income	51,788.00	-
	Employee benefits salaries - LR	expenses	-	51,788.00
			70,297.00	70,297.00

Bring in MOE Debt balance as confirmed by MOE of \$3,312.

Code	Name	Group	Debit	Credit
	Other MOE grant	Income	3,312.00	-
	Operating creditors	liabilities/ equity	-	3,312.00
			3,312.00	3,312.00

Adjust banking staffing to the Final figure

Code	Name	Group	Debit	Credit
	Teachers salaries grant	Income	6,525.00	-
	Staff banking underuse	assets	-	6,525.00
			6,525.00	6,525.00

Bring in TAPESA 2021 washup debtor \$31,712.56, as per MOE

Code	Name	Group	Debit	Credit
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Operational grants	income	-	31,713.00
Receivables from MOE	assets	31,713.00	-
		31,713.00	31,713.00

## **Bankwood School**

**For the year ended 31 December 2021**

Kiwisport is a Government funding initiative to support student's participation in organised sport.

In 2021, Bankwood School received a total of \$5,080.59 (excluding GST) in total of Kiwisport funding.

Due to the unpredictability of Covid and the breaks from attendance, the funding for Kiwisport has not been utilised fully as in in past years.

The funding has been applied to Basketball and Netball fees for out 4-6 participation to ensure all those that wanted to play, had the opportunity.





Bankwood School

Mission Statement

"Being the Best We Can Be with Respect, Responsibility & Creativity"

# Analysis of Variance Report on the 2021 School Year

March 2022



## BANKWOOD SCHOOL ANALYSIS OF VARIANCE REPORT

### What happened in 2021

We began the year feeling strong and looking forward to reconnecting with the community. Prior to school starting, the leadership team spent 3 days together in Rotorua; reflecting, reviewing and building new pathways.

Having this solid team gave us the ability to weather another difficult year coping with a different way of teaching and learning due to COVID.

In January, we welcomed two new staff members who joined the senior team. They proved to be valuable additions, bringing different ways of doing things, that blended into and enhanced our established practices. Growth in the new entrant area meant the employment of a fixed term teacher in term 2.

Throughout the year, the roll felt unsettled, as there was a lot of coming and going due to COVID. This type of pattern in attendance was caused by anxiety, housing, lock downs, learning off site etc, all of which had impacts in our classrooms. The staff just accepted this as a new normal, and welcomed, farewelled and rewelcomed children as a matter of course. Because of this attitude, children were settled and the overall wellbeing was positive.

During the year:

- The highest roll point was 360, up on 2020 which was 343
- There was a total of 141 enrolments, compared to 151 in 2020
- There were 130 withdrawals during the year, compared to 126 in 2020

We continued with professional learning when practical. Developing Mathematical Inquiry Communities (DMIC) was extended into the Year 1 and Year 5 and 6 classes. This meant that all teachers were involved in the development and it began to impact on mathematical learning in all our classes. Depending on what was happening with COVID there were different ways that the development occurred. We were very lucky to have pockets when Libby, the facilitator, was able to work on site. When not onsite, she provided online opportunities and readings. Overall teachers engaged fully and were excited to see the difference it was making for learners. The teachers who were involved in this PD in 2020 were able to support and encourage their colleagues who were just beginning the journey.

Structured Literacy continued to develop, deepen and embed. Once again, this was driven from the Junior area of the school. The Year 1 teachers also had the opportunity to be involved in the BSLA (Better Start Literacy Approach) which is building onto the well established Structured Literacy.

All credit goes to the enthusiastic and committed way the teachers involved themselves in new learning. They also engaged in positive ways when teaching during lock down and bubble school.

What an amazingly resilient and flexible group they were!

Looking Back on 2021-We did not achieve all our goals.

But we were:

- resilient
- flexible
- accepting
- positive
- welcoming
- creative

and we:

- had fun
- built relationships
- worked together and supported each other
- found different ways to engage children in learning
- celebrated every little step

### **So what about the data**

Teaching and Learning with COVID was like walking through a mountainous landscape without a map!

The insecurity and anxiety within our community meant that the overall attendance of many of our children was low. It was hard for teachers to get traction: children came and went through face to face teaching, distance learning, bubble school, zoom lessons etc. For many of our families, the availability of devices and wifi made it difficult for some children to engage in all opportunities for learning. Acknowledgement needs to go to all the teachers who showed, resilience, stickability, creativity and a huge amount of caring.

Any progress and shifts in achievement levels goes down to the skills and talents and professional behaviour of the teachers in general.

We decided to not include Year 2 achievement results and we have not analysed as many sub groups in the 2021 data as we did at the end of 2020. We made the decision to do this because this year the soft data gave us more insights than the hard OTJ data. It is also in the Year 2 area that there are huge gaps in attendance and in the opportunities for the skilled foundation learning the children normally receive. A lot of whanau were also choosing to not start the children until they turned six or were waiting for things to settle. All of these factors meant that the children were starting school with more literacy needs than we had been experiencing pre COVID. The data collected in the 4th term was based on OTJ (Overall Teacher Judgement). Not all children were able to be tested due to attendance and we chose to end the year having fun - not testing for the sake of it.

### **READING**

During lockdowns, we found that reading was the subject area that parents were most confidently engaged with. Children could read texts themselves and were read to by whanau. They discussed the stories and responded in creative ways to the text. Quality work was shared via dojo and the interaction between home and school was powerful.

Parental confidence with this curriculum area would appear to have had an impact on the results at the end of 2021.

READING 2021 AT/ABOVE	YEAR GROUP TOTAL	TOTAL BOYS	TOTAL GIRLS	TOTAL MĀORI	TOTAL NON- MĀORI
END YEAR 3	69%	77%	59%	60%	75%
END YEAR 4	79%	88%	73%	59%	79%
END YEAR 5	69%	63%	79%	63%	74%
END YEAR 6	79%	85%	73%	83%	75%

Worth celebrating is the fact that the following groups had over 75% at/above the expected level.

The groups are

- 85% of Year 6 boys
- 83% of the total Year 6 Māori group
- 88% of the Year 4 boys group
- 79% of the total Year 6 group
- 75% of the total non-māori Year 6 group
- 73% of the total Year 6 girls group
- 79% of the total Year 5 girls group
- 79% of the total Year 4 group
- 79% of the total Year 4 non-Māori group
- 73% of the total Year 4 girls group
- 77% of the total Year 3 boys group
- 75% of the total Year 3 non-Māori group

## WRITING

Given the actual face to face teaching time and the low attendance levels, we were impressed with these results.

Within the below/well below groups, there were 32 children who were either:

- New to our school
- Special needs and/or ORS funded
- ESL speakers
- Poor attendees (not just COVID related)
- High health needs

Writing is always the subject that has lower achievement levels than we would like. Children were writing when not at school, however, they were not receiving the specific, targeted teaching that they receive in the classroom setting and this alone would be a factor in the overall results.

WRITING 2021 AT/ABOVE	YEAR GROUP TOTAL	TOTAL BOYS	TOTAL GIRLS	TOTAL MĀORI	TOTAL NON- MĀORI
END YEAR 3	41%	39%	50%	30%	50%
END YEAR 4	58%	50%	67%	50%	67%
END YEAR 5	50%	43%	64%	40%	59%
END YEAR 6	49%	43%	56%	47%	53%

The following groups had 50% and above at/above the expected level:

- 67% of Year 4 girls group
- 67% of Year 4 total non-Māori group
- 64% of Year 5 total girls group
- 59% of Year 5 total non-Māori group
- 58% of Year 4 total group
- 56% of Year 6 total girls
- 53% of Year 6 total non-Māori
- 50% of Year 3 total girls
- 50% of Year 4 total boys and total Māori groups
- 50% of Year 5 group

When actually looking at these results, I realise that our children did extremely well to maintain levels. We believe that every child has something to say. They all have stories to tell and we have instilled in them a love of writing and encouraged them to express their thoughts and feelings on the page.

The piece below shows that this 8 year old had something to say!

*"When I grow up I want to be a scientist because covid has killed too many people and I want to help people. If I want to be a scientist, I need to know maths and timetables and I need to learn them when I'm little. So when I'm an adult, I'll be ready to go. I'll kill covid but I will not be able to save the people that have already died."*

## MATHEMATICS

As said, we continued with the DMIC professional learning in Maths and if we had been working in a pre COVID world, I believe we would be seeing very positive results. Below is a comment from a teacher, who has had a year in the development and teaches new entrant children.

*"5 year olds can actively listen and share their maths ideas clearly. DMIC stretches the children's thinking. It unlocks what they know and this is often more than what the 'testing'/traditional maths lessons would bring out."*

It was also noticed that the Year 3 and 4 children have had better results than the Year 5 and 6 groups. This may be linked to the fact that the Year 3 and 4 children were in their second year of DMIC and the impact on teachers and children is beginning to show.

MATHS 2021 AT/ABOVE	YEAR GROUP TOTAL	TOTAL BOYS	TOTAL GIRLS	TOTAL MĀORI	TOTAL NON- MĀORI
END YEAR 3	55%	57%	50%	45%	61%
END YEAR 4	59%	75%	53%	54%	63%
END YEAR 5	46%	51%	37%	48%	45%
END YEAR 6	35%	39%	31%	34%	39%

Except for one group, all the Year 3 and 4 groups had 50% + at/above expected achievement level

- 50% Year 3 total girls
- 53% Year 4 total girls
- 54% Year 4 total Māori
- 55% Year 3 total group
- 57% Year 3 total boys
- 59% Year 3 total group
- 61% Year 3 total non-Māori
- 63% Year 4 total non-Māori
- 75% Year 4 total boys

Once the 2022 professional development in Developing Mathematical Inquiry Communities is able to be resumed with the intensity that it was designed to have, we expect to see growth in the mathematical capabilities in classrooms.

## WHAT PROGRESS DID WE MAKE IN THE FOCUS AREAS?

### Focus 1 - Strengthen and Grow Teacher Capabilities and Competencies

An initiative to support this focus was to grow leaders so they can confidently and competently support teacher growth. As a group, the leaders have developed a high level of trust. They all believe in the values and beliefs that are our foundation. They are able to have robust discussion, offer suggestions, think creatively and support and encourage each other. Because of the solidarity of this group it has been easy to work with COVID. They have led their teams with resilience, flexibility and common sense. Because of them we managed to maintain a strong sense of togetherness, working together and belonging even when working in lockdown.

Because we were able to maintain some PD sessions during the year, the staff continued to deepen practices. They were able to be extremely creative in order to engage children and in many ways they have developed as stronger practitioners.

The quote below is written by a leader in the first few weeks of 2022. This points out the power of the professional learning undertaken in 2020 and 2021.

*"We are seeing progress in literacy in the senior school. Our Year 5 and 6 children who have had 3 or 4 years experience with the structured literacy and spelling PD are making noticeably huge progress in reading and spelling. We are finding that there are not so many children reading at the lower reading levels."*

### Focus 2 - Strengthen and Grow Student Capabilities

Everything we do is driven by the question "what difference will it make for our children?"

Because of this when making decisions we consider:

- Using staff strengths
- Wellbeing
- Relationships
- Behavioural needs
- Individual needs
- Environmental needs
- Culturally responsive practices
- Social needs
- Resourcing

An initiative that was developed in 2021, was to form a specialist team. Led by the SENCO/Deputy Principal, the team consisted of the Learning Support Co-ordinator, Reading Recovery/ESOL teacher and the Part time Reading teacher. This team was responsive to the needs of children at all levels and developed flexible programming to unlock learning. A real spin off from this initiative was the impact on these specialist teachers. Instead of working in isolation they developed a strong sense of team. They acknowledged that working in collegial ways had positive effects on their overall wellbeing.

### **Focus 3 - Strengthen and Grow Community Engagement**

The School Community as always have been an amazingly supportive and caring group. COVID in a strange way has deepened community relationships. We have used email, dojo, website, phone calls and text to keep connected.

### **Focus 4 - Strengthen and Grow Our School Environment**

This has been started, stopped, started, slowed down, but, it will be started again!

Connections have been made with staff from Fairfield College, regarding the Fairfield Gully and early plans have been made.

As soon as COVID settles we will drive this initiative particularly for the senior students.

### **MOVING FORWARD**

We will continue to Strengthen and Grow in the focus areas identified in the Charter, with the intention of deepening what has been started.

The refreshment of the curriculum and the NELP ( National Education and Learning Priorities will be of major importance as this is something that has had minimal attention during the past two years.

We will:

- Reconnect with stakeholders
- We will:reflect and plan
- Finish what we have started
- Consider what naturally occuring data we have to inform us
- Explore transitions