

KING'S HIGH SCHOOL



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	383
Principal:	Nick McIvor
School Address:	270 Bay View Road, Dunedin, 9012
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KING'S HIGH SCHOOL

Annual Report - For the year ended 31 December 2022

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King's High School

Statement of Responsibility

For the year ended 31 December 2022

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

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

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

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

Nineva Vaitupu
Full Name of Presiding Member

[Signature]
Signature of Presiding Member

28/3/24
Date:

Nicholas Maxwell McTier
Full Name of Principal

[Signature]
Signature of Principal

28/3/24
Date:

King's High School

Members of the Board

For the year ended 31 December 2022

Name	Position	How Position Gained	Term Expired/ Expires
Richard Wingham	Presiding Member	Elected	Sep 2025
Nick McIvor	Rector	ex Officio	
Libby Evans	Parent Representative	Elected	Sep 2025
Fraser Harrold	Parent Representative	Elected	Sep 2025
Nineva Vaitupu	Parent Representative	Elected	Sep 2025
Wayne McMillan	Staff Representative	Elected	Sep 2025
John Warman	Student Representative	Elected	Sep 2023
Chris McLean	Parent Representative	Elected	Sep 2022
Celia Hepburn	Parent Representative	Elected	Sep 2022
Kyle Cameron	Parent Representative	Co-opted	Sep 2022
In Attendance Sandy Wallace	Board Secretary		

King's High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	9,250,943	9,635,170	9,043,320
Locally Raised Funds	3	1,407,338	1,812,256	1,363,097
Interest Income		28,127	9,000	14,103
		<u>10,686,408</u>	<u>11,456,426</u>	<u>10,420,520</u>
Expenses				
Locally Raised Funds	3	840,091	1,069,321	858,914
Learning Resources	4	7,540,740	7,773,470	7,523,659
Administration	5	717,484	641,359	596,523
Finance		7,443	7,000	5,517
Property	6	1,675,327	2,169,496	1,622,798
Loss on Disposal of Property, Plant and Equipment		2,359	-	8,282
		<u>10,783,444</u>	<u>11,660,646</u>	<u>10,615,693</u>
Net (Deficit) for the year		(97,036)	(204,220)	(195,173)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(97,036)</u>	<u>(204,220)</u>	<u>(195,173)</u>

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

King's High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		2,949,099	2,949,099	3,121,444
Total comprehensive revenue and expense for the year		(97,036)	(204,220)	(195,173)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	22,828
Equity at 31 December		2,852,063	2,744,879	2,949,099
Accumulated comprehensive revenue and expense		2,852,063	2,744,879	2,949,099
Equity at 31 December		2,852,063	2,744,879	2,949,099

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.

King's High School

Statement of Financial Position

As at 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	180,774	451,003	317,548
Accounts Receivable	7	813,345	873,813	873,813
GST Receivable		20,416	16,393	16,393
Prepayments		81,848	31,385	31,385
Inventories	8	166,842	136,176	136,176
Investments	9	1,013,803	997,261	997,261
Funds Receivable for Capital Works Projects	16	65,951	41,965	41,965
		<u>2,342,979</u>	<u>2,547,996</u>	<u>2,414,541</u>
Current Liabilities				
Accounts Payable	11	811,793	820,716	820,716
Revenue Received in Advance	12	146,386	119,210	119,210
Provision for Cyclical Maintenance	13	144,667	138,025	138,025
Finance Lease Liability	14	42,814	35,840	35,840
Funds held in Trust	15	343,706	199,053	199,053
Funds held for Capital Works Projects	16	175,192	363,314	363,314
Funds Held on Behalf of the Attendance Support Fund	17	-	-	-
		<u>1,664,558</u>	<u>1,676,158</u>	<u>1,676,158</u>
Working Capital Surplus/(Deficit)		678,421	871,838	738,383
Non-current Assets				
Investments	9	27,869	25,703	25,703
Property, Plant and Equipment	10	2,394,974	2,203,502	2,493,502
		<u>2,422,843</u>	<u>2,229,205</u>	<u>2,519,205</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	181,817	322,375	274,700
Finance Lease Liability	14	67,384	33,789	33,789
		<u>249,201</u>	<u>356,164</u>	<u>308,489</u>
Net Assets		<u>2,852,063</u>	<u>2,744,879</u>	<u>2,949,099</u>
Equity		<u>2,852,063</u>	<u>2,744,879</u>	<u>2,949,099</u>

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

King's High School

Statement of Cash Flows

For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		2,692,750	2,142,314	2,272,744
Locally Raised Funds		1,328,143	1,769,213	1,219,409
International Students		103,579	43,043	19,655
Goods and Services Tax (net)		(4,023)	-	32,142
Payments to Employees		(1,513,783)	(1,274,876)	(1,272,015)
Payments to Suppliers		(2,350,267)	(2,548,239)	(2,017,400)
Interest Received		23,566	9,000	12,597
Net cash from/(to) Operating Activities		279,965	140,455	267,132
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(69,182)	-	(122,178)
Purchase of Investments		(18,708)	-	-
Proceeds from Sale of Investments		-	-	418,108
Net cash (to)/from Investing Activities		(87,890)	-	295,930
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	22,828
Finance Lease Payments		(26,545)	(7,000)	(55,062)
Funds Administered on Behalf of Third Parties		(302,304)	-	(516,648)
Net cash from/(to) Financing Activities		(328,849)	(7,000)	(548,882)
Net increase/(decrease) in cash and cash equivalents				
		(136,774)	133,455	14,180
Cash and cash equivalents at the beginning of the year	7	317,548	317,548	303,368
Cash and cash equivalents at the end of the year	7	180,774	451,003	317,548

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.

King's High School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

1.1. Reporting Entity

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

1.2. Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the 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 whole dollar.

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical Maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 14. Future operating lease commitments are disclosed in note 22b.

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.

1.3. 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 to which they relate. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Other Ministry Grants for directly funded programmes are recorded as revenue when the School has the rights to the funding in the period to which they relate. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. 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.

1.5. 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.

1.6. 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.

1.7. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The school's 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.

1.8. 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.

1.9. 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.

1.10. Property, Plant and Equipment

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

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

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

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

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the Statement of Comprehensive Revenue and Expense 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	15-50 years
Furniture and equipment	2-20 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.11. Impairment of property, plant and equipment and intangible assets

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

Non cash generating assets

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

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the Statement of Comprehensive Revenue and Expense.

The reversal of an impairment loss is recognised in the Statement of Comprehensive Revenue and Expense. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

1.12. 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.

1.13. 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, but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in Statement of Comprehensive Revenue and Expense in the period in which they arise.

1.14. Revenue Received in Advance

Revenue received in advance relates to fees received from 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.

1.15. 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 Comprehensive Revenue and Expense.

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

1.16. Funds held for Capital Works

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

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

1.17. Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the Resource Teachers of Learning & Behaviour programme), all income and expenditure related to the provision of the service is recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

1.18. 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.

Cyclical maintenance, which involves painting of the School, makes up the most significant part of the Board's responsibilities outside the day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the School is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a variety of periods in accordance with the conditional assessment of each area of the school. The economic outflow of this is dependent on the plan established by the School to meet this obligation and is detailed in the notes and disclosures of these accounts.

1.19. Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

Investments that are shares are categorised as financial assets at fair value through other comprehensive revenue and expense in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investments' fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in the Statement of Comprehensive Revenue and Expense unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to the Statement of Comprehensive Revenue and Expense.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in the Statement of Comprehensive Revenue and Expense.

1.20. 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.

1.21. 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.

1.22. Budget Figures

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

1.23. Services received in-kind

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

2. Government Grants

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	2,349,947	2,070,043	2,140,782
Teachers' Salaries Grants	5,780,062	6,000,000	5,860,542
Use of Land and Buildings Grants	1,055,537	1,500,000	977,371
Other Government Grants	65,397	65,127	64,625
	<u>9,250,943</u>	<u>9,635,170</u>	<u>9,043,320</u>

3. Locally Raised Funds

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	446,924	476,591	384,748
Fees for Extra Curricular Activities	359,580	621,158	365,140
Trading	401,037	417,638	400,986
Fundraising & Community Grants	15,689	28,000	30,310
Other Revenue	100,451	211,033	96,998
Transport Revenue	8,056	14,793	11,260
International Student Fees	75,601	43,043	73,655
	<u>1,407,338</u>	<u>1,812,256</u>	<u>1,363,097</u>
Expenses			
Extra Curricular Activities Costs	397,072	650,811	400,259
Trading	310,616	328,725	325,894
Fundraising & Community Grant Costs	551	17,000	15,597
Transport (Local)	37,516	37,450	36,515
International Student - Student Recruitment	36,027	11,949	13,065
International Student - Employee Benefit - Salaries	45,601	21,093	61,611
International Student - Other Expenses	12,708	2,293	5,973
	<u>840,091</u>	<u>1,069,321</u>	<u>858,914</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>567,247</u>	<u>742,935</u>	<u>504,183</u>

During the year the School hosted 5 International students (2021:5)

4. Learning Resources

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	495,154	587,974	537,723
Equipment Repairs	218	5,000	2,269
Information and Communication Technology	122,217	118,968	120,022
Library Resources	3,846	10,142	2,253
Employee Benefits - Salaries	6,628,528	6,696,662	6,553,315
Staff Development	39,424	64,724	38,982
Depreciation	251,353	290,000	269,095
	<u>7,540,740</u>	<u>7,773,470</u>	<u>7,523,659</u>

5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	9,113	9,272	9,484
Board Fees	2,285	6,000	4,635
Board Expenses	23,087	18,000	12,656
Communication	11,795	13,000	11,260
Consumables	10,598	10,290	11,952
Operating Lease	2,940	21,000	4,345
Legal Fees	9,234	8,000	6,921
Other	89,498	77,200	101,235
Employee Benefits - Salaries	518,159	436,770	395,593
Insurance	34,135	34,827	32,122
Service Providers, Contractors and Consultancy	6,640	7,000	6,320
	<u>717,484</u>	<u>641,359</u>	<u>596,523</u>

6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	14,112	12,000	12,542
Consultancy and Contract Services	180,213	179,000	173,140
Cyclical Maintenance Provision	(84,531)	47,675	87,809
Grounds	41,564	39,600	42,025
Heat, Light and Water	211,093	148,300	136,607
Rates	44,623	48,347	42,400
Repairs and Maintenance	83,646	79,467	43,978
Use of Land and Buildings	1,055,537	1,500,000	977,371
Security	3,278	1,900	1,381
Employee Benefits - Salaries	125,792	113,207	105,545
	<u>1,675,327</u>	<u>2,169,496</u>	<u>1,622,798</u>

The Use of Land and Buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	180,774	451,003	317,548
Cash and Cash Equivalents for Statement of Cash Flows	<u>180,774</u>	<u>451,003</u>	<u>317,548</u>

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	26,500	23,708	23,708
Receivables from the Ministry of Education	287,500	351,457	351,457
Interest Receivable	7,912	3,351	3,351
Banking Staffing Underuse	-	7,144	7,144
Teacher Salaries Grant Receivable	491,433	488,153	488,153
	<u>813,345</u>	<u>873,813</u>	<u>873,813</u>
Receivables from Exchange Transactions	34,412	27,059	27,059
Receivables from Non-Exchange Transactions	778,933	846,754	846,754
	<u>813,345</u>	<u>873,813</u>	<u>873,813</u>

8. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
School Uniforms	165,750	135,785	135,785
Canteen	1,092	391	391
	<u>166,842</u>	<u>136,176</u>	<u>136,176</u>

9. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	1,013,803	997,261	997,261
Non-current Asset			
Shares	27,869	25,703	25,703
Total Investments	<u>1,041,672</u>	<u>1,022,964</u>	<u>1,022,964</u>

10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Building Improvements	1,933,688	2,895	-	-	(68,028)	1,868,555
Furniture and Equipment	184,465	48,529	-	-	(43,790)	189,204
Information and Communication Technology	216,851	9,067	-	-	(76,737)	149,181
Motor Vehicles	4,507	-	-	-	(3,078)	1,429
Leased Assets	72,213	86,002	-	-	(48,706)	109,509
Library Resources	81,778	8,691	(2,359)	-	(11,014)	77,096
Balance at 31 December 2022	<u>2,493,502</u>	<u>155,184</u>	<u>(2,359)</u>	<u>-</u>	<u>(251,353)</u>	<u>2,394,974</u>

The net carrying value of equipment held under a finance lease is \$109,509 (2021: \$72,213)

Restrictions

With the exception of the contractual restrictions relating to the above noted finance leases, there are no other restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Building Improvements	2,723,225	(854,670)	1,868,555	2,720,330	(786,642)	1,933,688
Furniture and Equipment	881,807	(692,603)	189,204	833,276	(648,811)	184,465
Information and Communication Technology	1,243,955	(1,094,774)	149,181	1,234,888	(1,018,037)	216,851
Motor Vehicles	82,320	(80,891)	1,429	82,320	(77,813)	4,507
Leased Assets	169,328	(59,819)	109,509	240,752	(168,539)	72,213
Library Resources	275,253	(198,157)	77,096	274,480	(192,702)	81,778
Balance at 31 December	<u>5,375,888</u>	<u>(2,980,914)</u>	<u>2,394,974</u>	<u>5,386,046</u>	<u>(2,892,544)</u>	<u>2,493,502</u>

11. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	173,992	201,550	201,550
Accruals	53,544	60,211	60,211
Employee Entitlements - Salaries	504,143	497,069	497,069
Employee Entitlements - Leave Accrual	80,114	61,886	61,886
	<u>811,793</u>	<u>820,716</u>	<u>820,716</u>
Payables for Exchange Transactions	811,793	820,716	820,716
	<u>811,793</u>	<u>820,716</u>	<u>820,716</u>

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2022	2022 Budget (Unaudited)	2021
	Actual \$	\$	Actual \$
International Student Fees in Advance	27,978	-	-
Other Revenue in Advance	118,408	119,210	119,210
	<u>146,386</u>	<u>119,210</u>	<u>119,210</u>

13. Provision for Cyclical Maintenance

	2022	2022 Budget (Unaudited)	2021
	Actual \$	\$	Actual \$
Provision at the Start of the Year	412,725	412,725	353,100
Increase to the Provision During the Year	49,492	47,675	57,675
Other Adjustments	(134,023)	-	30,134
Use of the Provision During the Year	(1,710)	-	(28,184)
Provision at the End of the Year	<u>326,484</u>	<u>460,400</u>	<u>412,725</u>
Cyclical Maintenance - Current	144,667	138,025	138,025
Cyclical Maintenance - Non current	181,817	322,375	274,700
	<u>326,484</u>	<u>460,400</u>	<u>412,725</u>

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

14. Finance Lease Liability

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

	2022	2022 Budget (Unaudited)	2021
	Actual \$	\$	Actual \$
No Later than One Year	49,871	40,076	40,076
Later than One Year and no Later than Five Years	74,415	36,067	36,067
Future Finance Charges	(14,088)	(6,514)	(6,514)
	<u>110,198</u>	<u>69,629</u>	<u>69,629</u>
Represented by:			
Finance lease liability - Current	42,814	35,840	35,840
Finance lease liability - Term	67,384	33,789	33,789
	<u>110,198</u>	<u>69,629</u>	<u>69,629</u>

15. Funds Held in Trust

	2022	2022 Budget (Unaudited)	2021
	Actual \$	\$	Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	343,706	199,053	199,053
	<u>343,706</u>	<u>199,053</u>	<u>199,053</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

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. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Gymnasium project	(7,749)	250,000	(67,059)	-	175,192
Whare project	260,473	(15,597)	(297,576)	-	(52,700)
Site Drainage update	(34,216)	49,199	(14,983)	-	-
Sight Impairment project	84,205	-	(84,205)	-	-
SIP Gate Fencing	5,461	-	(6,134)	-	(673)
Weathertightness remediation	13,175	2,646	(16,236)	-	(415)
Weathertightness Technology	-	-	-	-	-
Security Camera Upgrade	-	-	(12,163)	-	(12,163)
Totals	321,349	286,248	(498,356)	-	109,241

Represented by:

Funds Held on Behalf of the Ministry of Education	175,192
Funds Receivable from the Ministry of Education	(65,951)

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Gymnasium project	16,771	-	(24,520)	-	(7,749)
Whare project	11,988	286,900	(38,415)	-	260,473
Library Floor coverings	8,969	596	(9,565)	-	-
Site Drainage update	97,174	-	(131,390)	-	(34,216)
Sight Impairment project	347,232	-	(263,027)	-	84,205
SIP Gate Fencing	-	6,061	(600)	-	5,461
Weathertightness remediation	-	13,175	-	-	13,175
Boiler Feeder repair	-	15,103	(15,103)	-	-
Hockey Turf Site Fencing	-	200,000	(200,000)	-	-
Totals	482,134	521,835	(682,620)	-	321,349

Represented by:

Funds Held on Behalf of the Ministry of Education	363,314
Funds Receivable from the Ministry of Education	(41,965)

17. Funds Held on Behalf of the Attendance Support Fund

King's High School was the lead school and holds funds on behalf of the Dunedin Secondary Schools Partnership, a group of 12 schools funded by the Ministry of Education to improve student attendance.

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	-	-	-
Funds Received from MoE	60,000	-	-
Funds Spent on Behalf of the Cluster	(60,000)	-	-
Funds Held at Year End	-	-	-

18. 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.

19. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Rector, and Deputy Rectors.

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	2,285	4,635
<i>Leadership Team</i>		
Remuneration	793,310	783,844
Full-time equivalent members	6.00	6.00
Total key management personnel remuneration	795,595	788,479

There are 6 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. The Board also has Finance (6 members) and Property (8 members) that meet monthly. 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

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	180 - 190	170 - 180
Benefits and Other Emoluments	0 - 10	0 - 10
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	6.00	7.00
110 - 120	1.00	3.00
120 - 130	4.00	2.00
	11.00	12.00

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

20. Compensation and Other Benefits Upon Leaving

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

	2022 Actual \$	2021 Actual \$
Total	-	-
Number of People	-	-

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: nil).

Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2022, a contingent liability for the school may exist.

22. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into the following contract agreements for capital works.

(a) The school has a number of fully funded and approved Ministry of Education property projects. Total funds received this year are \$323,148 and \$535,256 has been spent this year to date.

(Capital commitments in relation to Ministry projects at 31 December 2021: \$321,349)

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2021: nil)

23. Financial Instruments

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

Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	180,774	451,003	317,548
Receivables	813,345	873,813	873,813
Investments - Term Deposits	1,041,672	1,022,964	1,022,964
Total Financial assets measured at amortised cost	<u>2,035,791</u>	<u>2,347,780</u>	<u>2,214,325</u>

Financial liabilities measured at amortised cost

Payables	811,793	820,716	820,716
Finance Leases	110,198	69,629	69,629
Total Financial liabilities measured at amortised Cost	<u>921,991</u>	<u>890,345</u>	<u>890,345</u>

24. Events After Balance Date

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

25. Comparatives

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

Compliance with the Good Employer Policy

The King's High School Board:

- Has developed and implemented appropriate policies which promote high levels of staff performance and recognise the needs of students;
- Has reviewed its compliance with these policies and can report that it meets all the requirements identified and is in accordance with best practice;
- Is a good employer and complies with all conditions included within employee contracts;
- Ensures all employees are treated fairly, without bias or discrimination;
- Meets all EEO requirements.