

INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Parkland School (the School). The Auditor-General has appointed me, Vivien Cotton, using the staff and resources of Cotton Kelly Smit Limited (CKS Audit), to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 23, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 24 May 2022. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included in the Analysis of Variance, the Kiwisport Statement, the list of Trustees and the Statement of Responsibility, 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.



Vivien Cotton
CKS Audit
On behalf of the Auditor-General
Palmerston North, New Zealand

PARKLAND SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021



Ministry Number:	2424
Principal:	Peter Barnett
School Address:	41 Parkland Crescent, Palmerston North 4410
School Postal Address:	41 Parkland Crescent, Palmerston North 4410
School Phone:	06 358 1469
School Email:	office@parkland.school.nz
Accountant / Service Provider:	Accounting For Schools Limited

PARKLAND SCHOOL

Annual Report - For the year ended 31 December 2021

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PARKLAND 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.

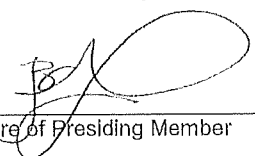
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

Heidi Burden

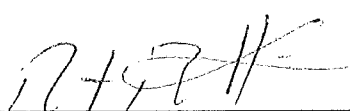
Full Name of Presiding Member


Signature of Presiding Member

19/5/22
Date:

Peter Barnett

Full Name of Principal


Signature of Principal

19/5/22
Date:

PARKLAND SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	2,630,006	2,603,733	2,658,851
Locally Raised Funds	3	64,418	66,900	35,344
Interest income		903	12,000	7,395
		<u>2,695,327</u>	<u>2,682,633</u>	<u>2,701,590</u>
Expenses				
Locally Raised Funds	3	69,952	59,100	44,660
Learning Resources	4	1,893,055	1,907,853	1,762,728
Administration	5	108,559	125,224	108,170
Finance		821	-	771
Property	6	505,535	508,200	618,790
Depreciation	11	52,279	67,500	58,551
Loss on Disposal of Property, Plant and Equipment		-	-	2,878
		<u>2,630,201</u>	<u>2,667,877</u>	<u>2,596,548</u>
Net Surplus / (Deficit) for the year		65,126	14,756	105,042
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>65,126</u>	<u>14,756</u>	<u>105,042</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.



PARKLAND SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2021

Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Balance at 1 January	942,281	942,281	1,007,769
Total comprehensive revenue and expense for the year	65,126	14,756	105,042
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant		-	5,200
			-
BOT contribution to ILE Upgrade Project	(8,498)	-	(175,730)
Equity at 31 December	998,909	957,037	942,281
Retained Earnings	998,909	957,037	942,281
Reserves	-	-	-
Equity at 31 December	998,909	957,037	942,281

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.



PARKLAND SCHOOL
Statement of Financial Position
As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	7	874,081	830,037	572,761
Accounts Receivable	8	166,518	165,000	174,376
Funds held for Capital Works Projects	16	-	-	24,733
GST Receivable		8,586	10,000	16,613
Prepayments		3,596	1,000	7,301
Inventories	9	933	1,000	994
Investments	10	-	-	190,222
		1,053,714	1,007,037	987,000
Current Liabilities				
Accounts Payable	12	173,238	170,000	159,027
Revenue Received in Advance	13	-	-	9,718
Provision for Cyclical Maintenance	14	14,000	14,000	9,167
Finance Lease Liability	15	9,441	9,000	7,689
		196,679	193,000	185,601
Working Capital Surplus/(Deficit)		857,035	814,037	801,399
Non-current Assets				
Property, Plant and Equipment	11	233,811	220,000	221,069
		233,811	220,000	221,069
Non-current Liabilities				
Provision for Cyclical Maintenance	14	78,071	70,000	65,959
Finance Lease Liability	15	13,866	7,000	14,228
		91,937	77,000	80,187
Net Assets		998,909	957,037	942,281
Equity		998,909	957,037	942,281

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



PARKLAND SCHOOL

Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
Cash flows from Operating Activities				
Government Grants		609,430	586,376	583,193
Locally Raised Funds		54,652	57,132	44,909
Goods and Services Tax (net)		8,026	6,618	26,597
Payments to Employees		(231,270)	(207,569)	(223,771)
Payments to Suppliers		(282,795)	(340,256)	(323,036)
Interest Paid		(821)	-	(771)
Interest Received		1,271	12,368	9,764
Net cash from Operating Activities		158,493	114,669	116,885
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(53,564)	(66,431)	(28,977)
Purchase of Investments		-	-	(190,222)
Proceeds from Sale of Investments		190,222	190,222	-
Net cash from Investing Activities		136,658	123,791	(219,199)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	5,200
BOT contribution to ILE Upgrade Project		(8,497)	-	(175,730)
Finance Lease Payments		(10,067)	(5,917)	(8,103)
Funds Administered on Behalf of Third Parties		24,733	24,733	45,408
Net cash from Financing Activities		6,169	18,816	(133,225)
Net increase/(decrease) in cash and cash equivalents		301,320	257,276	(235,539)
Cash and cash equivalents at the beginning of the year	7	572,761	572,761	808,300
Cash and cash equivalents at the end of the year	7	874,081	830,037	572,761

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



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Parkland 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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

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.

Cyclical maintenance provision

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.

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 carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

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 comprise 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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

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	10–50 years
Furniture and equipment	5–10 years
Information and communication technology	3 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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

m) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

n) Revenue Received in Advance

Revenue received in advance relates to fees 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.

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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

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.

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

The School's financial liabilities comprise accounts payable, borrowings and finance lease 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) 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.

s) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

t) 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.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

2. Government Grants

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	529,899	537,473	536,458
Teachers' Salaries Grants	1,703,774	1,676,000	1,629,098
Use of Land and Buildings Grants	361,445	361,000	452,248
Other MoE Grants	29,823	22,260	36,699
Other Government Grants	5,065	7,000	4,348
	<u>2,630,006</u>	<u>2,603,733</u>	<u>2,658,851</u>

The school has opted in to the donations scheme for this year. Total amount received was \$49,200 (2020: \$48,600).

Other MOE Grants total includes additional COVID-19 funding of \$1,322 for the year ended 31 December 2021 (2020: \$4,753).

3. Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	11,912	8,000	10,660
Curriculum related Activities - Purchase of goods and services	-	4,000	-
Fees for Extra Curricular Activities	35,273	35,100	6,163
Trading	11,310	11,800	12,546
Fundraising & Community Grants	5,923	8,000	5,975
	<u>64,418</u>	<u>66,900</u>	<u>35,344</u>
Expenses			
Extra Curricular Activities Costs	63,119	52,600	37,994
Trading	6,833	6,500	6,666
	<u>69,952</u>	<u>59,100</u>	<u>44,660</u>
Surplus/ (Deficit) for the year Locally raised funds	<u>(5,534)</u>	<u>7,800</u>	<u>(9,316)</u>



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

4. Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	39,033	63,493	34,057
Equipment Repairs	6,278	8,500	5,129
Information and Communication Technology	8,128	7,000	6,224
Library Resources	1,309	6,600	4,699
Employee Benefits - Salaries	1,818,665	1,799,260	1,706,007
Staff Development	19,642	23,000	6,612
	<u>1,893,055</u>	<u>1,907,853</u>	<u>1,762,728</u>

5. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,691	5,300	4,555
Board of Trustees Fees	3,310	4,000	4,260
Board of Trustees Expenses	3,269	5,250	2,688
Communication	1,568	3,000	3,592
Consumables	9,762	17,900	12,893
Operating Lease	548	600	548
Other	7,364	16,650	5,327
Employee Benefits - Salaries	68,364	62,824	66,234
Insurance	4,280	4,200	3,123
Service Providers, Contractors and Consultancy	5,403	5,500	4,950
	<u>108,559</u>	<u>125,224</u>	<u>108,170</u>



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

6. Property

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	10,645	12,400	11,269
Consultancy and Contract Services	31,899	33,000	31,200
Cyclical Maintenance Provision	16,945	18,200	26,090
Grounds	17,347	21,400	38,275
Heat, Light and Water	23,181	23,200	23,994
Rates	3,422	3,000	2,736
Repairs and Maintenance	17,906	15,500	11,056
Use of Land and Buildings	361,445	361,000	452,248
Security	2,317	3,500	4,182
Employee Benefits - Salaries	20,428	17,000	17,740
	<u>505,535</u>	<u>508,200</u>	<u>618,790</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	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Bank Current Account	149,344	150,000	63,637
Bank Call Account	724,737	680,037	509,124
Cash and cash equivalents for Cash Flow Statement	<u>874,081</u>	<u>830,037</u>	<u>572,761</u>

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



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

8. Accounts Receivable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Receivables	498	500	450
Receivables from the Ministry of Education	-	-	2,316
Interest Receivable	-	-	368
Banking Staffing Underuse	27,285	25,000	42,327
Teacher Salaries Grant Receivable	138,735	139,500	128,915
	<u>166,518</u>	<u>165,000</u>	<u>174,376</u>
Receivables from Exchange Transactions	498	500	818
Receivables from Non-Exchange Transactions	166,020	164,500	173,558
	<u>166,518</u>	<u>165,000</u>	<u>174,376</u>

9. Inventories

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Stationery	933	1,000	994
	<u>933</u>	<u>1,000</u>	<u>994</u>

10. Investments

The School's investment activities are classified as follows:

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Current Asset	-	-	190,222
Short-term Bank Deposits	-	-	190,222
Total Investments	<u>-</u>	<u>-</u>	<u>190,222</u>



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Building Improvements	89,080	14,329	-	-	(4,642)	98,768
Furniture and Equipment	64,267	19,006	-	-	(16,180)	67,093
Information Technology	17,860	16,466	-	-	(16,448)	17,878
Leased Assets	19,412	11,456	-	-	(10,968)	19,902
Library Resources	30,450	3,761	-	-	(4,041)	30,170
Balance at 31 December 2021	221,069	65,018	-	-	(52,279)	233,811

The net carrying value of equipment held under a finance lease is \$19,902 (2020: \$19,412).

	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value	2020 Cost or Valuation	2020 Accumulated Depreciation	2020 Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	215,237	(116,470)	98,768	200,907	(111,828)	89,080
Furniture and Equipment	610,398	(543,305)	67,093	591,392	(527,125)	64,267
Information Technology	240,629	(222,751)	17,878	224,162	(206,302)	17,860
Leased Assets	54,852	(34,950)	19,902	43,395	(23,983)	19,412
Library Resources	79,376	(49,206)	30,170	75,615	(45,165)	30,450
Balance at 31 December	1,200,492	(966,682)	233,811	1,135,471	(914,403)	221,069



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

12. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	25,129	25,000	20,572
Accruals	4,691	5,000	4,555
Employee Entitlements - Salaries	138,735	135,000	128,915
Employee Entitlements - Leave Accrual	4,683	5,000	4,985
	<u>173,238</u>	<u>170,000</u>	<u>159,027</u>
Payables for Exchange Transactions	173,238	170,000	159,027
	<u>173,238</u>	<u>170,000</u>	<u>159,027</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Camp Fees	-	-	6,525
Grants in Advance	-	-	3,193
	<u>-</u>	<u>-</u>	<u>9,718</u>



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

14. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	75,126	75,126	73,057
Increase/ (decrease) to the Provision During the Year	16,945	17,074	14,484
Use of the Provision During the Year	-	(8,200)	(12,415)
Provision at the End of the Year	92,071	84,000	75,126
Cyclical Maintenance - Current	14,000	14,000	9,167
Cyclical Maintenance - Term	78,071	70,000	65,959
	92,071	84,000	75,126

15. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	10,204	9,000	7,689
Later than One Year and no Later than Five Years	14,249	7,000	14,228
Future Finance Charges	(1,146)	-	-
	23,307	16,000	21,917

Represented by

Finance lease liability - Current	9,441	9,000	7,689
Finance lease liability - Term	13,866	7,000	14,228
	23,307	16,000	21,917



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

16. Funds Held for Capital Works Projects

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

2021	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
	\$	\$	\$	\$	\$
Archgola - Project no. 220846	(3,762)	3,762	-	-	-
Heatpump - Project no. 221025	(3,902)	3,902	-	-	-
Block 3 & 17 ILE Upgrade and Toilet Block - Project no. 207177	(16,215)	43,456	(27,241)	-	-
SIP Signage - Project no. 221604	(854)	1,476	(622)	-	-
SIP Artificial Turf - Project no. 221607	-	97,857	(106,355)	8,498	-
Totals	(24,733)	150,453	(134,218)	8,498	-

Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

-
-

-

2020	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
	\$	\$	\$	\$	\$
Archgola - Project no. 220846	-	29,126	(32,888)	-	(3,762)
Heatpump - Project no. 221025	-	41,205	(45,107)	-	(3,902)
Block 3 & 17 ILE Upgrade and Toilet Block - Project no. 207177	(55,650)	-	(136,295)	175,730	(16,215)
New Rugby Posts - Project no. 221605	-	5,891	(5,891)	-	-
SIP Landscaping - Project no. 221601	-	13,445	(13,445)	-	-
SIP Signage - Project no. 221604	-	27,867	(28,721)	-	(854)
Totals	(55,650)	117,534	(262,347)	175,730	(24,733)

17. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

18. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	3,310	4,260
<i>Leadership Team</i>		
Remuneration	663,468	550,238
Full-time equivalent members	6	6
Total key management personnel remuneration	666,778	554,498
Total full-time equivalent personnel	6.00	6.00

There are five elected members of the Board and one seconded member, excluding the principal and the Staff Trustee. The Board has held nine meetings in 2021. Those Board members with portfolio responsibilities do not formerly meet outside of the regular Board Meetings. The Presiding Member meets 9-10 times per year with the principal prior to the regular Board Meeting and several other times during the year on an ad hoc basis.

Principal

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	140 - 150
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100 - 110	3	2
	3	2

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



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

19. 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:

	2021 Actual	2020 Actual
Total	-	-
Number of People	-	-

20. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

21. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has not entered into contract agreements for capital works.

(Capital commitments at 31 December 2020: \$489,293)

(b) Operating Commitments

As at 31 December 2021 the Board has entered into no operating lease contract.



PARKLAND SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2021

22. Financial Instruments

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

Financial assets measured at amortised cost

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Cash and Cash Equivalents	874,081	830,037	572,761
Receivables	166,518	165,000	174,376
Investments - Term Deposits	-	-	190,222
Total Financial assets measured at amortised cost	1,040,599	995,037	937,359

Financial liabilities measured at amortised cost

Payables	173,238	170,000	159,027
Finance Leases	23,307	16,000	21,917
Total Financial Liabilities Measured at Amortised Cost	196,545	186,000	180,944

23. Events After Balance Date

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

24. Comparatives

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



PARKLAND SCHOOL

Members of the Board

For the year ended 31 December 2021

Name	Position	How position on Board gained	Occupation	Term expired/expires
Heidi Burden	Presiding Member	Elected		September 2022
Peter Barnett	Principal ex officio	Appointed	Principal	
Jules Grace	Parent Rep	Elected		September 2022
Bryan Ousey	Parent Rep	Elected		September 2022
Michael Ylanoutsos	Parent Rep	Elected		September 2022
Kelly Franklin-Browne	Parent Rep	Elected		September 2022
Carolyn Jones	Staff Rep	Elected		September 2022

PARKLAND SCHOOL

Kiwisport Statement

For the year ended 31 December 2021

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

In 2021, Parkland School received \$4,603 excl GST (2020: \$4,739) in Kiwisport funding. This funding contributed to the schoolwide swimming programme for Years 0-6 at the Freyberg Pool. Students receive 10 swimming lessons in small groups with a qualified swimming instructor. The school PTA funds the bus transport and the School Board funds the balance of the programme.