

# SUNNYBRAE NORMAL SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### School Directory

<b>Ministry Number:</b>	1516
<b>Principal:</b>	Lorene Hurd
<b>School Address:</b>	36 Sunnybrae Road, Hillcrest
<b>School Postal Address:</b>	36 Sunnybrae Road, Hillcrest, Auckland, 0627
<b>School Phone:</b>	09 443 5058
<b>School Email:</b>	office@sunnybrae.school.nz

Accountant / Service Provider:

**Education**  **Services.**  
*Dedicated to your school*

# SUNNYBRAE NORMAL SCHOOL

Annual Report - For the year ended 31 December 2022

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# Sunnybrae Normal 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.

James McIntyre - BoT Chair

Full Name of Presiding Member



Signature of Presiding Member

17 July 2023

Date:

Lorene Hurd

Full Name of Principal



Signature of Principal

July 17 2023

Date:

## Sunnybrae Normal School

# Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	3,696,293	3,977,624	3,638,459
Locally Raised Funds	3	133,793	95,700	80,303
Interest Income		8,006	1,000	4,356
Other Revenue		4,783	-	-
		3,842,875	4,074,324	3,723,118
<b>Expenses</b>				
Locally Raised Funds	3	25,302	25,200	17,037
Learning Resources	4	2,455,851	2,564,203	2,600,683
Administration	5	224,385	192,542	179,410
Finance		1,440	1,077	1,699
Property	6	1,010,827	1,291,173	1,041,509
Loss on Disposal of Property, Plant and Equipment	11	4,410	-	41
		3,722,215	4,074,195	3,840,379
<b>Net Surplus / (Deficit) for the year</b>		120,660	129	(117,261)
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		120,660	129	(117,261)

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

**Sunnybrae Normal School**

**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Equity at 1 January</b>		908,034	1,027,089	1,007,826
Total comprehensive revenue and expense for the year		120,660	129	(117,261)
Contributions from the Ministry of Education		-	-	17,469
Contribution - Furniture and Equipment Grant		(1,246)	-	-
Contribution to Capital Works				
<b>Equity at 31 December</b>		1,027,448	1,027,218	908,034
Accumulated comprehensive revenue and expense		1,027,448	1,027,218	908,034
<b>Equity at 31 December</b>		1,027,448	1,027,218	908,034

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.

# Sunnybrae Normal School

## Statement of Financial Position

As at 31 December 2022

		2022	2022	2021
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	728,126	665,244	429,867
Accounts Receivable	8	190,651	168,047	188,699
GST Receivable		39,656	16,722	31,224
Prepayments		11,129	7,218	13,172
Inventories	9	222	-	440
Investments	10	-	204,654	419,386
Funds Receivable for Capital Works Projects	17	134,004	-	43,453
		<u>1,103,788</u>	<u>1,061,885</u>	<u>1,126,241</u>
<b>Current Liabilities</b>				
Accounts Payable	12	437,404	185,696	242,602
Borrowings	13	10,844	10,844	10,844
Revenue Received in Advance	14	28,248	13,095	899
Provision for Cyclical Maintenance	15	13,615	8,404	63,926
Finance Lease Liability	16	10,228	8,973	8,866
Funds held for Capital Works Projects	17	24,110	-	100,946
		<u>524,449</u>	<u>227,012</u>	<u>428,083</u>
<b>Working Capital Surplus/(Deficit)</b>		579,339	834,873	698,158
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	596,977	295,800	346,038
		<u>596,977</u>	<u>295,800</u>	<u>346,038</u>
<b>Non-current Liabilities</b>				
Borrowings - Due beyond one year	13	21,687	43,374	32,531
Provision for Cyclical Maintenance	15	114,703	50,662	96,179
Finance Lease Liability	16	12,478	9,419	7,452
		<u>148,868</u>	<u>103,455</u>	<u>136,162</u>
<b>Net Assets</b>		<u>1,027,448</u>	<u>1,027,218</u>	<u>908,034</u>
<b>Equity</b>		<u>1,027,448</u>	<u>1,027,218</u>	<u>908,034</u>

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

**Sunnybrae Normal School**  
**Statement of Cash Flows**  
For the year ended 31 December 2022

		2022	2022 Budget	2021
	Note	Actual \$	(Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		887,443	789,416	810,261
Locally Raised Funds		125,648	85,700	70,607
International Students		39,835	10,000	(2,600)
Goods and Services Tax (net)		(8,431)	-	(14,502)
Payments to Employees		(450,358)	(427,000)	(508,552)
Payments to Suppliers		(361,384)	(251,051)	(287,194)
Interest Paid		(1,440)	(1,077)	(1,699)
Interest Received		9,063	1,000	6,677
Net cash from/(to) Operating Activities		240,376	206,988	72,998
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(311,276)	(45,000)	(45,842)
Purchase of Investments		-	-	(214,731)
Proceeds from Sale of Investments		419,386	-	-
Net cash from/(to) Investing Activities		108,110	(45,000)	(260,573)
<b>Cash flows from Financing Activities</b>				
Owners Contributions		(1,246)	-	-
Finance Lease Payments		(6,412)	(9,220)	(6,369)
Loans Received		-	(10,844)	(10,843)
Repayment of Loans		(10,844)	-	-
Funds Administered on Behalf of Third Parties		(31,725)	-	111,334
Net cash from/(to) Financing Activities		(50,227)	(20,064)	94,122
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>298,259</b>	<b>141,924</b>	<b>(93,453)</b>
Cash and cash equivalents at the beginning of the year	7	429,867	523,320	523,320
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>728,126</b>	<b>665,244</b>	<b>429,867</b>

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

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

# Sunnybrae Normal School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### **a) Reporting Entity**

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

##### **b) Basis of Preparation**

###### ***Reporting Period***

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

###### ***Basis of Preparation***

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

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

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

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

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

###### ***Measurement Base***

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

###### ***Presentation Currency***

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

###### ***Specific Accounting Policies***

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

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

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

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

###### ***Cyclical maintenance***

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

#### *Useful lives of property, plant and equipment*

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

#### **Critical Judgements in applying accounting policies**

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

##### *Classification of leases*

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. 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 16. 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.

### **c) Revenue Recognition**

#### **Government Grants**

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

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

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

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

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

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

#### **Other Grants where conditions exist**

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

#### **Donations, Gifts and Bequests**

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

### **Interest Revenue**

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

### **d) Operating Lease Payments**

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

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

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

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

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

### **g) Accounts Receivable**

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

### **h) Inventories**

Inventories are consumable items held for sale and comprised of stationery. 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 (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

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

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

### **Finance Leases**

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

### **Depreciation**

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

The estimated useful lives of the assets are:

Building Improvements	10-20 years
Furniture and Equipment	5-10 years
Information and Communication Technology	5 years
Leased assets held under a Finance Lease	Term of Lease

### **k) Intangible Assets**

#### *Software costs*

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

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

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

#### *Non cash generating assets*

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

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on a comparison to recent market transactions.

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

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

### **m) 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.

#### **n) Employee Entitlements**

##### *Short-term employee entitlements*

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

##### *Long-term employee entitlements*

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

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

#### **o) 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 students, should the School be unable to provide the services to which they relate.

#### **p) 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.

#### **q) 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.

#### **r) 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 RTL 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.

#### **s) Provision for Cyclical Maintenance**

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

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

The schools carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

**t) 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' for accounting purposes 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 investment's 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 surplus or deficit 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 surplus or deficit.

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

**u) 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.

**v) 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.

**w) Budget Figures**

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

**x) Services received in-kind**

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

## 2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	883,874	789,416	819,568
Teachers' Salaries Grants	2,032,282	2,124,969	2,085,926
Use of Land and Buildings Grants	764,634	1,063,239	732,965
Other Government Grants	15,503	-	-
	<u>3,696,293</u>	<u>3,977,624</u>	<u>3,638,459</u>

The school has opted in to the donations scheme for this year. Total amount received was \$53,100.

## 3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>			
Donations & Bequests	16,381	19,600	16,951
Fees for Extra Curricular Activities	21,095	18,400	15,175
Trading	680	700	617
Fundraising & Community Grants	35,210	22,000	13,294
Other Revenue	48,253	25,000	24,670
International Students	12,174	10,000	9,596
	<u>133,793</u>	<u>95,700</u>	<u>80,303</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	15,604	18,500	12,838
Trading	776	700	270
Fundraising & Community Grant Costs	5,853	5,000	2,379
International Students - Employee Benefit - Salaries	652	-	-
International Students - Other Expenses	2,417	1,000	1,550
	<u>25,302</u>	<u>25,200</u>	<u>17,037</u>
<i>Surplus for the year Locally raised funds</i>	<u>108,491</u>	<u>70,500</u>	<u>63,266</u>

During the year the School hosted 1 International student (2021:1)

## 4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	65,971	98,234	77,988
Library Resources	2,455	2,500	2,731
Employee Benefits - Salaries	2,299,286	2,374,969	2,425,417
Staff Development	11,317	15,500	7,951
Depreciation	76,822	73,000	86,596
	<u>2,455,851</u>	<u>2,564,203</u>	<u>2,600,683</u>

## 5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,492	6,492	6,303
Board Fees	3,960	4,500	3,850
Board Expenses	9,318	8,750	8,440
Communication	5,688	4,780	6,244
Consumables	7,416	10,700	5,799
Operating Lease	502	-	-
Other	40,824	32,720	25,899
Employee Benefits - Salaries	134,061	112,000	108,346
Insurance	3,524	-	3,369
Service Providers, Contractors and Consultancy	12,600	12,600	11,160
	<u>224,385</u>	<u>192,542</u>	<u>179,410</u>

## 6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	57,841	59,000	54,388
Cyclical Maintenance Provision	23,974	13,714	114,357
Grounds	35,511	18,100	12,940
Heat, Light and Water	44,214	41,000	36,741
Rates	92	120	134
Repairs and Maintenance	25,154	22,000	18,221
Use of Land and Buildings	764,634	1,063,239	732,965
Security	15,881	9,000	10,326
Employee Benefits - Salaries	43,526	65,000	61,437
	<u>1,010,827</u>	<u>1,291,173</u>	<u>1,041,509</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	728,126	665,244	429,867
Cash and cash equivalents for Statement of Cash Flows	<u>728,126</u>	<u>665,244</u>	<u>429,867</u>

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

Of the \$728,126 Cash and Cash Equivalents \$24,110 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

## 8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	827	634	511
Interest Receivable	-	3,378	1,057
Teacher Salaries Grant Receivable	189,824	164,035	187,131
	<u>190,651</u>	<u>168,047</u>	<u>188,699</u>
Receivables from Exchange Transactions	827	4,012	1,568
Receivables from Non-Exchange Transactions	189,824	164,035	187,131
	<u>190,651</u>	<u>168,047</u>	<u>188,699</u>

## 9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	222	-	440
	<u>222</u>	<u>-</u>	<u>440</u>

## 10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	-	204,654	419,386
Total Investments	<u>-</u>	<u>204,654</u>	<u>419,386</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	115,107	217,000	-	-	(13,033)	319,074
Furniture and Equipment	133,703	73,436	-	-	(29,815)	177,324
Information and Communication Technology	61,723	16,898	(4,410)	-	(20,828)	53,383
Motor Vehicles	-	7,717	-	-	(554)	7,163
Leased Assets	14,683	16,604	-	-	(9,926)	21,361
Library Resources	20,822	516	-	-	(2,666)	18,672
<b>Balance at 31 December 2022</b>	<b>346,038</b>	<b>332,171</b>	<b>(4,410)</b>	<b>-</b>	<b>(76,822)</b>	<b>596,977</b>

The net carrying value of equipment held under a finance lease is \$21,361 (2021: \$14,683)

### Restrictions

There are no 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	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	664,620	(345,546)	319,074	447,620	(332,513)	115,107
Furniture and Equipment	803,789	(626,465)	177,324	741,957	(608,254)	133,703
Information and Communication Technology	363,267	(309,884)	53,383	469,758	(408,035)	61,723
Motor Vehicles	7,717	(554)	7,163	31,671	(16,988)	14,683
Leased Assets	34,615	(13,254)	21,361	90,531	(69,709)	20,822
Library Resources	90,700	(72,028)	18,672			
<b>Balance at 31 December</b>	<b>1,964,708</b>	<b>(1,367,731)</b>	<b>596,977</b>	<b>1,781,537</b>	<b>(1,435,499)</b>	<b>346,038</b>

## 12. Accounts Payable

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	239,381	13,505	45,413
Accruals	4,492	4,128	4,303
Employee Entitlements - Salaries	189,824	164,035	187,131
Employee Entitlements - Leave Accrual	3,707	4,028	5,755
	<b>437,404</b>	<b>185,696</b>	<b>242,602</b>
Payables for Exchange Transactions	437,404	185,696	242,603
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<b>437,404</b>	<b>185,696</b>	<b>242,603</b>

The carrying value of payables approximates their fair value.

### 13. Borrowings

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Loans due in one year	10,844	10,844	10,844
Loans due after one year	21,687	43,374	32,531
	<u>32,531</u>	<u>54,218</u>	<u>43,375</u>

### 14. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
International Students in Advance	28,248	12,783	587
Other Revenue In Advance	-	312	312
	<u>28,248</u>	<u>13,095</u>	<u>899</u>

### 15. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	160,105	45,352	45,748
Increase to the Provision During the Year	28,587	13,714	28,278
Use of the Provision During the Year	(55,761)	-	-
Other Adjustments	(4,613)	-	86,079
Provision at the End of the Year	<u>128,318</u>	<u>59,066</u>	<u>160,105</u>
Cyclical Maintenance - Current	13,615	8,404	63,926
Cyclical Maintenance - Non current	114,703	50,662	96,179
	<u>128,318</u>	<u>59,066</u>	<u>160,105</u>

The school's cyclical maintenance schedule details annual painting to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on recent quotes received from a recent paint of the school.

### 16. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	11,790	8,973	9,943
Later than One Year and no Later than Five Years	13,489	9,419	8,007
Future Finance Charges	(2,573)	-	(1,632)
	<u>22,706</u>	<u>18,392</u>	<u>16,318</u>
<b>Represented by</b>			
Finance lease liability - Current	10,228	8,973	8,866
Finance lease liability - Non current	12,478	9,419	7,452
	<u>22,706</u>	<u>18,392</u>	<u>16,318</u>

## 17. Funds Held (Owed) 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 projects is included under cash and cash equivalents in note 7.

	2022	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Security Upgrade to Gate		230427	6,151	1,900	(9,297)	1,246	-
Combined 1,5,8 Upgrade		229021	60,044	-	(122,375)	19	(62,350)
Electronic Signboard		229152	24,110	-	-	-	24,110
Turf Project			(31,736)	-	-	31,736	-
Replacement of Main Gate		231569	(11,717)	12,987	(1,270)	-	-
SIP Shade Canopy		231570	10,641	-	(278,945)	217,000	(51,304)
Electrical Upgrade & Heating		239908	-	-	(20,350)	-	(20,350)
Totals			57,493	14,887	(432,237)	250,001	(109,894)

### Represented by:

Funds Held on Behalf of the Ministry of Education	24,110
Funds Receivable from the Ministry of Education	(134,004)

	2021	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Security Upgrade to Gate		230427	(17,740)	17,100	6,791	-	6,151
Replace Telecom, Intercom & Bells		221230	3,576	4,587	(8,163)	-	-
Block 1 Alterations			(25,450)	-	25,450	-	-
Combined 1,5,8 Upgrade		229021	(3,600)	530,559	(466,915)	-	60,044
Electronic Signboard		229152	-	25,200	(1,090)	-	24,110
Turf Project			-	-	(31,736)	-	(31,736)
Replacement of Main Gate		231569	-	-	(11,717)	-	(11,717)
SIP Shade Canopy		231570	-	25,200	(14,559)	-	10,641
Totals			(43,214)	602,646	(501,939)	-	57,493

### Represented by:

Funds Held on Behalf of the Ministry of Education	100,946
Funds Receivable from the Ministry of Education	(43,453)

## 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 conditions 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 Board members, Principal, Deputy Principals and Team Leaders.

	2022 Actual \$	2021 Actual \$
<i>Board Members</i> Remuneration	3,960	3,850
<i>Leadership Team</i> Remuneration	586,081	577,021
Full-time equivalent members	5.10	5.00
Total key management personnel remuneration	<u>590,041</u>	<u>580,871</u>

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings.

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

### 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	2.00	5.00
110 - 120	2.00	1.00
	<u>4.00</u>	<u>6.00</u>

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 board members, committee members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2022 Actual	2021 Actual
Total	-	-
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 contract agreements for capital works as follows:

\$595,198 contract for the Combined 1,5,8 Upgrade as agent for the Ministry of Education. This project is fully funded by the Ministry and \$530,540 has been received of which \$592,890 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$28,000 contract for the Electronic Signboard as agent for the Ministry of Education. This project is fully funded by the Ministry and \$25,200 has been received of which \$1,090 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$28,000 contract for the SIP Shade Canopy as agent for the Ministry of Education. This project is partly funded by the Board and partly by the Ministry and \$25,200 has been received of which \$76,504 has been spent on the project to balance date. This project has been approved by the Ministry; and

Contract for the Electrical Upgrade & Heating as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$20,350 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2021:

\$19,000 contract for the Security Upgrade to Gate as agent for the Ministry of Education. This project is fully funded by the Ministry and \$17,100 has been received of which \$10,949 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$595,198 contract for the Combined 1,5,8 Upgrade as agent for the Ministry of Education. This project is fully funded by the Ministry and \$530,559 has been received of which \$470,515 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$28,000 contract for the Electronic Signboard as agent for the Ministry of Education. This project is fully funded by the Ministry and \$25,200 has been received of which \$1,090 has been spent on the project to balance date. This project has been approved by the Ministry; and

Contract for the Turf Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$31,736 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$13,000 contract for the Replacement of Main Gate as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$11,717 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$28,000 contract for the SIP Shade Canopy as agent for the Ministry of Education. This project is fully funded by the Ministry and \$25,200 has been received of which \$14,559 has been spent on the project to balance date. This project has been approved by the Ministry.)

## (b) Operating Commitments

As at 31 December 2022 the Board has entered into the following contracts:

(a) operating lease of photocopiers;

	2022 Actual \$	2021 Actual \$
No later than One Year	-	8,360
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	8,360

The total lease payments incurred during the period were \$502 (2021: \$0).

## 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	728,126	665,244	429,867
Receivables	190,651	168,047	188,699
Investments - Term Deposits	-	204,654	419,386
Total Financial assets measured at amortised cost	918,777	1,037,945	1,037,952

### Financial liabilities measured at amortised cost

	2022	2021
Payables	437,404	242,602
Borrowings - Loans	32,531	43,375
Finance Leases	22,706	16,318
Total Financial Liabilities Measured at Amortised Cost	492,641	302,295

## 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.

## Sunnybrae Normal School

### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
James McIntyre	Presiding Member	Elected	Jul 2025
Lorene Hurd	Principal	ex Officio	
Stephen Simpson	Parent Representative	Elected	Aug 2022
Nicholas Brown	Parent Representative	Elected	Aug 2022
Brandon Watts	Parent Representative	Elected	Aug 2022
Dora Yang	Parent Representative	Elected	Jul 2025
Damian Griffiths	Parent Representative	Elected	Jul 2025
Sabina Darke	Parent Representative	Elected	Jul 2025
Bruce Nichols	Parent Representative	Elected	Jul 2025
Anna Blair	Staff Representative	Elected	Jul 2025
Helen Rennie-Younger (Acting DP)	Other	Appointed	

## Sunnybrae Normal School

### Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2022, the school received total Kiwisport funding of \$5,505 (excluding GST). The funding was spent on sporting endeavours.

## Statement of Compliance with Employment Policy

For the year ended 31st December 2022 the Sunnybrae Normal School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.







# SNS Annual Report Yr Ended 31 Dec 2022

Final Audit Report

2023-07-17

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## "SNS Annual Report Yr Ended 31 Dec 2022" History

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-  Signer jmcintyre@sunnybrae.school.nz entered name at signing as James McIntyre  
2023-07-17 - 5:47:12 PM GMT
-  Document e-signed by James McIntyre (jmcintyre@sunnybrae.school.nz)  
Signature Date: 2023-07-17 - 5:47:14 PM GMT - Time Source: server
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