

Cornwall Park District School

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Ministry Number:	1256
Principal:	Janine Irvine
School Address:	193 Green Lane West, Auckland
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School Phone:	09 524 6574
School Email:	admin@cpds.school.nz

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Cornwall Park District School

Annual Report - For the year ended 31 December 2021

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Cornwall Park District 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.

Nick Mackeson-Smith

Full Name of Presiding Member

Janine Irvine

Full Name of Principal

Nick M-S

Signature of Presiding Member

J Irvine

Signature of Principal

22 November 2022

Date:

22 November 2022

Date:

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Cornwall Park District School

Members of the Board of Trustees

For the year ended 31 December 2021

Name	Position	How Position Gained	Term Expired/Expires
Janine Irvine	Principal		
Nick Mackeson-Smith	Chairperson	Elected June 2019	May 2022
Sarah Sutcliffe	Board Member	Elected June 2019	May 2022
Sanjeev Deva	Board Member	Elected June 2019	May 2022
Andrew Bason	Board Member	Elected June 2019	May 2022
Kirstin Fleming	Board Member	Elected June 2019	Resigned June 2021
Anne Patel	Board Member	Elected June 2019	May 2022
Anne-Maree Shepherd	Board Member	Co-opted May 2021	May 2022
Vijay Patel	Board Member	Co-opted May 2021	May 2022
Antony Fong	Board Member	Co-opted May 2021	May 2022



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Cornwall Park District School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	5,503,274	5,532,450	5,930,241
Locally Raised Funds	3	385,539	270,000	430,658
Interest Income		4,707	10,000	14,312
International Students	4	148,513	181,300	183,151
		<u>6,042,033</u>	<u>5,993,750</u>	<u>6,558,362</u>
Expenses				
Locally Raised Funds	3	56,303	24,500	122,739
International Students	4	63,941	50,000	85,224
Learning Resources	5	3,707,879	3,380,895	3,677,714
Administration	6	300,515	281,904	276,170
Finance		3,863	3,400	3,406
Property	7	1,690,086	2,085,044	2,230,276
Depreciation	11	263,340	260,000	259,387
Loss due to disposal of Property, Plant and Equipment	11	3,274	-	-
		<u>6,089,201</u>	<u>6,085,743</u>	<u>6,654,916</u>
Net (Deficit) for the year		(47,168)	(91,993)	(96,554)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(47,168)</u>	<u>(91,993)</u>	<u>(96,554)</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.

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Cornwall Park District School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January	1,949,190	1,949,190	2,045,744
Total comprehensive revenue and expense for the year	(47,168)	(91,993)	(96,554)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	18,544	-	-
Te Mana Tuhono Grant	40,654	-	-
Equity at 31 December	1,961,220	1,857,197	1,949,190

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.

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Cornwall Park District School

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	8	291,000	535,643	562,824
Accounts Receivable	9	250,344	275,500	273,086
Receivables from MOE for Capital Works Projects	22	118,187	-	-
GST Receivable		27,374	15,000	30,077
Prepayments		18,293	10,000	11,721
Investments	10	383,028	400,000	467,825
		<u>1,088,226</u>	<u>1,236,143</u>	<u>1,345,533</u>
Current Liabilities				
Accounts Payable	12	353,338	411,000	439,379
Revenue Received in Advance	13	58,336	140,300	164,232
Provision for Cyclical Maintenance	14	59,756	130,063	-
Finance Lease Liability	15	22,747	21,806	23,765
Funds held for Capital Works Projects	16	-	-	37,335
		<u>494,177</u>	<u>703,169</u>	<u>664,711</u>
Working Capital Surplus/(Deficit)		594,049	532,974	680,822
Non-current Assets				
Property, Plant and Equipment	11	1,491,512	1,428,308	1,498,308
Capital Work In Progress	11	-	-	2,880
		<u>1,491,512</u>	<u>1,428,308</u>	<u>1,501,188</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	100,819	82,002	188,853
Finance Lease Liability	15	23,522	22,083	43,967
		<u>124,341</u>	<u>104,085</u>	<u>232,820</u>
Net Assets		<u>1,961,220</u>	<u>1,857,197</u>	<u>1,949,190</u>
Equity		<u>1,961,220</u>	<u>1,857,197</u>	<u>1,949,190</u>

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

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Cornwall Park District School

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		1,003,012	882,216	1,027,244
Locally Raised Funds		392,774	270,317	408,282
International Students		35,583	157,685	201,870
Goods and Services Tax (net)		2,703	15,077	(34,577)
Payments to Employees		(816,059)	(721,803)	(837,301)
Payments to Suppliers		(562,190)	(457,008)	(553,959)
Cyclical Maintenance Payments in the year		(39,189)	-	(25,668)
Interest Paid		(3,863)	(3,400)	(3,406)
Interest Received		5,333	10,208	16,028
Net cash from/(to) Operating Activities		18,104	153,292	198,513
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(213,576)	(301,904)	(228,386)
Purchase of Investments		84,797	67,825	237,877
Net cash from/(to) Investing Activities		(128,779)	(234,079)	9,491
Cash flows from Financing Activities				
Furniture and Equipment Grant		18,544	-	-
Finance Lease Payments		(24,171)	90,941	20,934
Funds Held for Capital Works Projects		(155,522)	(37,335)	(5,167)
Net cash from/(to) Financing Activities		(161,149)	53,606	15,767
Net increase/(decrease) in Cash and Cash Equivalents		(271,824)	(27,181)	223,771
Cash and Cash Equivalents at the beginning of the year	8	562,824	562,824	339,053
Cash and Cash Equivalents at the end of the year	8	291,000	535,643	562,824

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.

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Cornwall Park District School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

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

Useful lives of property, plant and equipment

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

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Cornwall Park District School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

Cornwall Park District School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Buildings	14-40 years
Furniture and equipment	4-15 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	3-4 years
Library resources	12.5% Diminishing value

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Cornwall Park District School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

k) Impairment of property, plant, and equipment

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

Non cash generating assets

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

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

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

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

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

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

n) Revenue Received in Advance

Revenue received in advance relates to fees received from international students and Walking School Bus 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 the above revenue received in advance, should the School be unable to provide the services to which they relate.

o) 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.

Cornwall Park District School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

p) 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 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.

q) 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.

r) Budget Figures

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

s) 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.

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Cornwall Park District School

Notes to Financial Statements (cont'd)

For the year ended 31 December 2021

2. Government Grants

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Operational Grants	895,733	832,794	862,444
Teachers' Salaries Grants	3,039,676	2,771,963	2,981,702
Use of Land and Buildings Grants	1,428,726	1,835,033	1,956,544
Other MoE Grants	127,007	90,060	127,551
Resource Teachers Learning and Behaviour Grants	3,043	2,600	2,000
Other Government Grants	9,089	-	-
	<u>5,503,274</u>	<u>5,532,450</u>	<u>5,930,241</u>

3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Revenue			
Donations & Bequests	249,420	181,000	220,229
Fees for Extra Curricular Activities	113,468	89,000	210,429
Fundraising & Community Grants	22,651	-	-
	<u>385,539</u>	<u>270,000</u>	<u>430,658</u>
Expenses			
Extra Curricular Activities Costs	55,328	24,500	122,739
Fundraising and Community Grant Costs	975	-	-
	<u>56,303</u>	<u>24,500</u>	<u>122,739</u>
	<u>329,236</u>	<u>245,500</u>	<u>307,919</u>

Surplus / (Deficit) for the year Locally Raised Funds

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	14	0	18
	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Revenue			
International Student Fees	148,513	181,300	183,151
Expenses			
Student Recruitment	11,307	5,000	15,972
Employee Benefit - Salaries	45,510	40,000	58,401
Other Expenses	7,124	5,000	10,851
	<u>63,941</u>	<u>50,000</u>	<u>85,224</u>
	<u>84,572</u>	<u>131,300</u>	<u>97,927</u>

Surplus / (Deficit) for the year International Students

Cornwall Park District School

Notes to Financial Statements (cont'd)

For the year ended 31 December 2021

5. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	35,181	49,150	36,511
Equipment Repairs	-	1,000	343
Information and Communication Technology	33,328	35,600	43,155
Library Resources	1,091	800	691
Employee Benefits - Salaries	3,586,834	3,231,245	3,562,406
Staff Development	51,445	63,100	34,608
	<u>3,707,879</u>	<u>3,380,895</u>	<u>3,677,714</u>

6. Administration

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Audit Fee	6,645	8,000	8,621
Board Fees	4,765	5,840	4,710
Board Expenses	45,142	20,000	18,452
Communication	8,726	9,600	9,057
Consumables	6,099	11,500	8,731
Legal Fees	1,524	-	1,030
Other	25,809	31,360	27,034
Employee Benefits - Salaries	166,263	153,204	159,254
Insurance	16,671	16,400	15,785
Service Providers, Contractors and Consultancy	18,871	26,000	23,496
	<u>300,515</u>	<u>281,904</u>	<u>276,170</u>

7. Property

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	12,128	13,700	14,261
Consultancy and Contract Services	59,477	61,800	61,349
Cyclical Maintenance Provision	10,911	25,000	21,538
Grounds	14,751	15,700	22,498
Heat, Light and Water	33,705	31,000	31,968
Repairs and Maintenance	19,085	9,000	17,990
Use of Land and Buildings	1,428,726	1,835,033	1,956,544
Security	10,553	7,000	7,292
Employee Benefits - Salaries	100,750	86,811	96,836
	<u>1,690,086</u>	<u>2,085,044</u>	<u>2,230,276</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.

Cornwall Park District School

Notes to Financial Statements (cont'd)

For the year ended 31 December 2021

8. Cash and Cash Equivalents

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Bank Accounts	64,840	55,643	100,503
Short-term Bank Deposits	226,160	480,000	462,321
Cash and Cash Equivalents for Statement of Cash Flows	291,000	535,643	562,824

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

9. Accounts Receivable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Receivables	14,433	14,000	14,634
Interest Receivable	1,082	1,500	1,708
Teacher Salaries Grant Receivable	234,829	260,000	256,744
	250,344	275,500	273,086
Receivables from Exchange Transactions	15,515	15,500	16,342
Receivables from Non-Exchange Transactions	234,829	260,000	256,744
	250,344	275,500	273,086

10. Investments

The School's investment activities are classified as follows:

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	383,028	400,000	467,825
Total Investments	383,028	400,000	467,825

Cornwall Park District School

Notes to Financial Statements (cont'd)

For the year ended 31 December 2021

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	500,779	22,394	-	-	(14,600)	508,573
Building Improvements	117,129	-	-	-	(24,401)	92,728
Furniture and Equipment	699,539	151,475	-	-	(156,381)	694,633
Information and Communication Technology	72,506	78,296	-	-	(34,400)	116,402
Leased Assets	67,352	2,708	-	-	(28,224)	41,836
Library Resources	41,003	4,943	(3,272)	-	(5,334)	37,340
Balance at 31 December 2021	1,498,308	259,816	(3,272)	-	(263,340)	1,491,512

The net carrying value of equipment held under a finance lease is \$41,836 (2020: \$67,352)

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	584,519	(75,946)	508,573	562,125	(61,346)	500,779
Building Improvements	1,198,318	(1,105,590)	92,728	1,198,318	(1,081,189)	117,129
Furniture and Equipment	2,286,445	(1,591,812)	694,633	2,134,971	(1,435,432)	699,539
Information and Communication Technology	760,554	(644,152)	116,402	682,258	(609,752)	72,506
Leased Assets	117,492	(75,656)	41,836	114,784	(47,432)	67,352
Library Resources	152,032	(114,692)	37,340	159,853	(118,850)	41,003
Balance at 31 December	5,099,360	(3,607,848)	1,491,512	4,852,309	(3,354,001)	1,498,308

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Cornwall Park District School

Notes to Financial Statements (cont'd)

For the year ended 31 December 2021

12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	71,133	63,000	105,270
Accruals	12,059	51,000	14,621
Banking Staffing Overuse	11,177	20,000	43,238
Employee Entitlements - Salaries	237,707	260,000	259,371
Employee Entitlements - Leave Accrual	21,262	17,000	16,879
	<u>353,338</u>	<u>411,000</u>	<u>439,379</u>
Payables for Exchange Transactions	353,338	411,000	439,379
	<u>353,338</u>	<u>411,000</u>	<u>439,379</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
International Student Fees In Advance	50,985	140,300	163,915
Other Funds In Advance	7,351	-	317
	<u>58,336</u>	<u>140,300</u>	<u>164,232</u>

14. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	188,853	188,853	192,983
Increase / (decrease) to the Provision During the Year	10,911	25,000	21,538
Use of the Provision During the Year	(39,189)	(1,788)	(25,668)
Provision at the End of the Year	<u>160,575</u>	<u>212,065</u>	<u>188,853</u>
Cyclical Maintenance - Current	59,756	130,063	-
Cyclical Maintenance - Term	<u>100,819</u>	<u>82,002</u>	<u>188,853</u>
	<u>160,575</u>	<u>212,065</u>	<u>188,853</u>

Cornwall Park District School

Notes to Financial Statements (cont'd)

For the year ended 31 December 2021

15. Finance Lease Liability

The School has entered into a number of finance lease agreements for teachers' laptops, a photocopier and Eftpos equipment.
Minimum lease payments payable:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	24,835	23,895	27,504
Later than One Year and no Later than Five Years	24,581	23,141	46,836
Future Finance Charges	(3,147)	(3,147)	(6,608)
	<u>46,269</u>	<u>43,889</u>	<u>67,732</u>
Represented by			
Finance lease liability - Current	22,747	21,806	23,765
Finance lease liability - Term	23,522	22,083	43,967
	<u>46,269</u>	<u>43,889</u>	<u>67,732</u>

16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under receivables from the Ministry in account receivable note 9.

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Blks 3,5,10&12	27,916	4,852	(34,397)	1,630	1
Roofing & Flooring	14,586	-	-	-	14,586
SIP Toilets/Admin	(18,291)	-	(30,242)	-	(48,533)
5YA	(27,204)	-	13,810	-	(13,394)
Artificial Grass	18,713	-	(18,713)	-	-
SIP Fencing	21,615	-	(21,615)	-	-
Block 3 Hall Refurbishment	-	38,507	(109,354)	-	(70,847)
Proj 3 - Landscaped Area	-	29,076	(29,076)	-	-
Totals	<u>37,335</u>	<u>72,435</u>	<u>(229,587)</u>	<u>1,630</u>	<u>(118,187)</u>

Represented by:

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

14,587
(132,774)
(118,187)

2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Blks 3,5,10&12	27,916	-	-	-	27,916
Roofing & Flooring	14,586	-	-	-	14,586
SIP Toilets/Admin	-	272,166	(290,457)	-	(18,291)
5YA	-	-	(27,204)	-	(27,204)
Artificial Grass	-	19,678	(965)	-	18,713
SIP Fencing	-	22,811	(1,196)	-	21,615
Totals	<u>42,502</u>	<u>314,655</u>	<u>(319,822)</u>	<u>-</u>	<u>37,335</u>

Cornwall Park District School

Notes to Financial Statements (cont'd)

For the year ended 31 December 2021

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.

18. Remuneration

Key management personnel compensation

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

	2021 Actual	2020 Actual
<i>Board Members</i>		
Remuneration	\$ 4,765	\$ 4,710
<i>Leadership Team</i>		
Remuneration	390,466	383,057
Full-time equivalent members	3	3
Total key management personnel remuneration	<u>395,231</u>	<u>387,767</u>

The year started with 6 Board members excluding the Principal and had a resignation in July. In August 3 new members were coopted onto the Board. The Board had held 10 full meetings of the Board in the year. The August meeting was cancelled as a result of COVID. The Board also has 3 Finance and Property members that meet monthly. One Board Member also attends a Termly Health and Safety Meeting. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings for cooption of new members, Community Consultation / Maori Hui implications of COVID Mandates, Friends and Family meetings and to consider student welfare matters and ongoing COVID related welfare of staff and students.

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	160 - 170	160 - 170
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	2021 FTE Number	2020 FTE Number
110 - 120	1.00	1.00
100 - 110	5.00	3.00
	<u>6.00</u>	<u>4.00</u>

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

Cornwall Park District School

Notes to Financial Statements (cont'd)

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 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 the 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: \$nil)

22. Financial Instruments

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
Financial assets measured at amortised cost	\$	\$	\$
Cash and Cash Equivalents	291,000	535,643	562,824
Receivables	250,344	275,500	273,086
Investments - Term Deposits	383,028	400,000	467,825
Total Financial assets measured at amortised cost	924,372	1,211,143	1,303,735
Financial liabilities measured at amortised cost			
Payables	353,338	411,000	439,379
Finance Leases	46,269	43,889	67,732
Total Financial liabilities measured at amortised cost	399,607	454,889	507,111

23. Events After Balance Date

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



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Cornwall Park District School

Notes to Financial Statements (cont'd)

For the year ended 31 December 2021

24. COVID-19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 4 and 3 and other parts of the country moved into alert level 2.

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

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

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry of Education even while closed. The school also had staffing compromised through COVID by having to pay for booked in relievers.

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

Reduction in locally raised funds

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

Increased Remote learning additional costs

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

Reduction in International students

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



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF CORNWALL PARK DISTRICT SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Cornwall Park District School (the School). The Auditor-General has appointed me, Matt Laing, using the staff and resources of Deloitte Limited, 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 19, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 22 November 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 arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information including List of Board of Trustees, Statement of Responsibility, Analysis of Variance Report and KiwiSport Report, 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.

A handwritten signature in black ink, appearing to read "M. Laing", with a horizontal line extending from the end of the signature.

Matt Laing

Partner

for Deloitte Limited

On behalf of the Auditor-General

Hamilton, New Zealand