

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF PALMERSTON NORTH INTERMEDIATE NORMAL SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

#### Opinion

We have audited the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2022, 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 2022; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Sector - Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 30 May 2023. This is the date at which our opinion is expressed.

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

#### Basis for our opinion

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

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

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

#### Responsibilities of the Board for the financial statements

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

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

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

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

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

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

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

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

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

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

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

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

Our responsibilities arises from the Public Audit Act 2001.

### Other information

The Board is responsible for the other information. The other information comprises the information included in the Kiwisport Statement, the Statement of Compliance with Employment Policy, The list fo Board Members, and the Statement of Responsibility, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



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

# PALMERSTON NORTH INTERMEDIATE NORMAL SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### School Directory

**Ministry Number:** 2419

**Principal:** Hamish Ruawai

**School Address:** 56 Linton Street

**School Postal Address:** 56 Linton Street, Palmerston North, 4410

**School Phone:** 06 358 0548

**School Email:** hrea@pnins.school.nz

**Accountant / Service Provider:**

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

# **PALMERSTON NORTH INTERMEDIATE NORMAL SCHOOL**

Annual Report - For the year ended 31 December 2022

## **Index**

<b>Page</b>	<b>Statement</b>
	<b>Financial Statements</b>
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 20	Notes to the Financial Statements
	<b>Other Information</b>
	Members of the Board
	Kiwisport / Statement of Compliance with Employment Policy
	Analysis of Variance

# Palmerston North Intermediate 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.

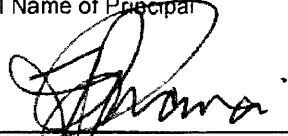
The School's 2022 financial statements are authorised for issue by the Board.

BETH LORRAINE TOOTELL  
Full Name of Presiding Member

  
Signature of Presiding Member

26 May 2023  
Date:

Hannah Gavin Puaia  
Full Name of Principal

  
Signature of Principal

29 May 2023  
Date:

**Palmerston North Intermediate Normal School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>				
Government Grants	2	5,649,566	5,328,315	5,303,626
Locally Raised Funds	3	394,986	207,500	679,414
Interest Income		14,462	9,000	5,436
Gain on Sale of Property, Plant and Equipment		530	-	96
		<u>6,059,544</u>	<u>5,544,815</u>	<u>5,988,572</u>
<b>Expenses</b>				
Locally Raised Funds	3	222,689	27,000	163,588
Learning Resources	4	4,101,424	3,836,126	4,219,091
Administration	5	404,495	350,750	364,947
Finance		8,825	1,799	6,934
Property	6	1,315,133	1,319,718	1,057,400
Other Expenses	7	3,000	3,000	3,000
Loss on Disposal of Property, Plant and Equipment	12	-	-	83
		<u>6,055,566</u>	<u>5,538,393</u>	<u>5,815,043</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>3,978</b>	<b>6,422</b>	<b>173,529</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>3,978</u></u>	<u><u>6,422</u></u>	<u><u>173,529</u></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.



**Palmerston North Intermediate Normal School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2022

	2022	2022	2021
Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Equity at 1 January</b>	1,208,055	993,517	1,034,526
Total comprehensive revenue and expense for the year	3,978	6,422	173,529
Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	34,699	-	-
<b>Equity at 31 December</b>	1,246,732	999,939	1,208,055
Accumulated comprehensive revenue and expense	1,246,732	999,939	1,208,055
<b>Equity at 31 December</b>	1,246,732	999,939	1,208,055

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.





**Palmerston North Intermediate Normal School**  
**Statement of Financial Position**  
As at 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	787,836	264,988	561,002
Accounts Receivable	9	363,657	321,632	394,882
GST Receivable		13,019	80,689	26,784
Prepayments		25,247	31,457	22,880
Inventories	10	-	1,273	137
Investments	11	520,781	507,961	516,022
Funds Receivable for Capital Works Projects	17	14,412	-	4,639
		1,724,952	1,208,000	1,526,346
<b>Current Liabilities</b>				
Accounts Payable	13	425,903	431,959	384,517
Revenue Received in Advance	14	3,805	15,858	18,831
Provision for Cyclical Maintenance	15	205,362	44,649	101,514
Finance Lease Liability	16	56,643	58,373	54,315
Funds held for Capital Works Projects	17	231,296	-	203,271
		923,009	550,839	762,448
<b>Working Capital Surplus/(Deficit)</b>		801,943	657,161	763,898
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	671,744	517,202	646,727
		671,744	517,202	646,727
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	168,333	152,113	120,188
Finance Lease Liability	16	58,622	22,311	82,382
		226,955	174,424	202,570
<b>Net Assets</b>		1,246,732	999,939	1,208,055
<b>Equity</b>		1,246,732	999,939	1,208,055

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



**Palmerston North Intermediate Normal School**  
**Statement of Cash Flows**  
For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,467,078	1,194,093	1,285,183
Locally Raised Funds		374,960	177,500	666,807
International Students		5,000	30,000	15,000
Goods and Services Tax (net)		13,765	-	53,905
Payments to Employees		(699,651)	(607,000)	(540,644)
Payments to Suppliers		(806,851)	(609,002)	(1,168,086)
Interest Paid		(8,825)	(1,799)	(6,966)
Interest Received		5,913	9,000	8,315
Net cash from/(to) Operating Activities		351,389	192,792	313,514
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		530	-	224
Purchase of Property Plant & Equipment (and Intangibles)		(116,867)	(69,000)	(51,493)
Purchase of Investments		(4,759)	-	(8,061)
Net cash from/(to) Investing Activities		(121,096)	(69,000)	(59,330)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		34,699	-	-
Finance Lease Payments		(56,510)	(46,759)	(50,652)
Funds Administered on Behalf of Third Parties		18,352	-	169,515
Net cash from/(to) Financing Activities		(3,459)	(46,759)	118,863
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>226,834</b>	<b>77,033</b>	<b>373,047</b>
Cash and cash equivalents at the beginning of the year	8	561,002	187,955	187,955
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>787,836</b>	<b>264,988</b>	<b>561,002</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.



# Palmerston North Intermediate Normal School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Palmerston North Intermediate 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 12.

**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 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 (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 are depreciated over their estimated useful lives on a straight line 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	5-50 years
Furniture and Equipment	3-20 years
Information and Communication Technology	4-5 years
Library Resources	8 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 RTLB 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	1,478,481	1,194,093	1,244,486
Teachers' Salaries Grants	3,376,091	3,173,850	3,336,396
Use of Land and Buildings Grants	794,994	960,372	722,703
Other Government Grants	-	-	41
	5,649,566	5,328,315	5,303,626

## 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	133,990	115,000	476,928
Fees for Extra Curricular Activities	136,566	13,000	126,693
Trading	26,645	28,000	32,560
Fundraising & Community Grants	77,385	20,300	28,933
Other Revenue	400	1,200	1,257
International Students	20,000	30,000	13,043
	394,986	207,500	679,414
<b>Expenses</b>			
Extra Curricular Activities Costs	150,113	-	117,042
Trading	34,400	27,000	41,231
Fundraising & Community Grant Costs	37,617	-	4,748
International Students - Other Expenses	559	-	567
	222,689	27,000	163,588
	172,297	180,500	515,826

*Surplus for the year Locally raised funds*

During the year the School hosted 1.5 International students (2021:1)

## 4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	120,121	140,000	417,211
Library Resources	6,864	12,500	7,711
Employee Benefits - Salaries	3,770,390	3,536,850	3,608,588
Staff Development	48,140	45,000	29,992
Depreciation	155,813	101,276	155,362
Text Books	96	500	227
	4,101,424	3,836,126	4,219,091



## 5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	5,518	6,000	5,358
Board Fees	4,655	4,000	3,680
Board Expenses	17,383	12,400	4,667
Communication	16,634	11,600	14,255
Consumables	41,188	25,500	38,508
Operating Lease	21,436	17,000	16,596
Legal Fees	4,120	-	-
Other	48,155	51,250	66,878
Employee Benefits - Salaries	208,264	186,000	181,178
Insurance	17,150	17,000	15,227
Service Providers, Contractors and Consultancy	19,992	20,000	18,600
	404,495	350,750	364,947

## 6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	9,930	7,500	7,172
Cyclical Maintenance Provision	151,993	64,546	32,749
Grounds	13,345	9,300	9,997
Heat, Light and Water	59,587	47,500	55,314
Rates	8,174	7,000	6,663
Repairs and Maintenance	31,865	32,000	47,871
Use of Land and Buildings	794,994	960,372	722,703
Security	7,408	6,500	6,953
Employee Benefits - Salaries	96,919	58,000	58,281
Consultancy And Contract Services	140,918	127,000	109,697
	1,315,133	1,319,718	1,057,400

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. Other Expenses

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Transport	3,000	3,000	3,000
	3,000	3,000	3,000

## 8. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	787,836	264,988	561,002
Cash and cash equivalents for Statement of Cash Flows	787,836	264,988	561,002

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

Of the \$787,836 Cash and Cash Equivalents \$231,296 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.



## 9. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	710	6,420	13,430
Receivables from the Ministry of Education	35,946	-	-
Banking Staffing Underuse	17,802	60,896	73,375
Interest Receivable	10,804	5,134	2,255
Teacher Salaries Grant Receivable	298,395	249,182	305,822
	<u>363,657</u>	<u>321,632</u>	<u>394,882</u>
Receivables from Exchange Transactions	11,514	11,554	15,685
Receivables from Non-Exchange Transactions	352,143	310,078	379,197
	<u>363,657</u>	<u>321,632</u>	<u>394,882</u>

## 10. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	-	384	-
P E Uniforms	-	889	137
	<u>-</u>	<u>1,273</u>	<u>137</u>

## 11. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	520,781	507,961	516,022
Total Investments	<u>520,781</u>	<u>507,961</u>	<u>516,022</u>



## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	221,944	78,275	-	-	(23,555)	<b>276,664</b>
Furniture and Equipment	254,649	47,251	-	-	(54,253)	<b>247,647</b>
Information and Communication Technology	6,392	7,999	-	-	(3,975)	<b>10,416</b>
Leased Assets	132,227	42,516	-	-	(66,422)	<b>108,321</b>
Library Resources	31,515	4,789	-	-	(7,608)	<b>28,696</b>
<b>Balance at 31 December 2022</b>	<b>646,727</b>	<b>180,830</b>	<b>-</b>	<b>-</b>	<b>(155,813)</b>	<b>671,744</b>

The net carrying value of equipment held under a finance lease is \$108,321 (2021: \$132,227)

### 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	687,758	(411,094)	<b>276,664</b>	609,483	(387,539)	<b>221,944</b>
Furniture and Equipment	950,677	(703,030)	<b>247,647</b>	909,039	(654,390)	<b>254,649</b>
Information and Communication Technology	234,956	(224,540)	<b>10,416</b>	226,957	(220,565)	<b>6,392</b>
Leased Assets	441,643	(333,322)	<b>108,321</b>	438,704	(306,477)	<b>132,227</b>
Library Resources	276,254	(247,558)	<b>28,696</b>	271,465	(239,950)	<b>31,515</b>
<b>Balance at 31 December</b>	<b>2,591,288</b>	<b>(1,919,544)</b>	<b>671,744</b>	<b>2,455,648</b>	<b>(1,808,921)</b>	<b>646,727</b>

## 13. Accounts Payable

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	106,049	165,198	46,306
Accruals	5,518	5,202	5,358
Employee Entitlements - Salaries	298,395	249,182	305,822
Employee Entitlements - Leave Accrual	15,941	12,377	27,031
	<b>425,903</b>	<b>431,959</b>	<b>384,517</b>
Payables for Exchange Transactions	425,903	431,959	384,517
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<b>425,903</b>	<b>431,959</b>	<b>384,517</b>

The carrying value of payables approximates their fair value.

## 14. Revenue Received in Advance

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Income Received in Advance	3,805	2,815	3,831
FFPS Fees Prepaid	-	13,043	15,000
	<b>3,805</b>	<b>15,858</b>	<b>18,831</b>

### 15. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	221,702	132,216	222,649
Increase to the Provision During the Year	57,887	64,546	63,674
Use of the Provision During the Year	-	-	(33,696)
Other Adjustments	94,106	-	(30,925)
Provision at the End of the Year	<u>373,695</u>	<u>196,762</u>	<u>221,702</u>
Cyclical Maintenance - Current	205,362	44,649	101,514
Cyclical Maintenance - Non current	168,333	152,113	120,188
	<u>373,695</u>	<u>196,762</u>	<u>221,702</u>

Per the cyclical maintenance schedule the school is next expected to undertake painting works during 2023. This plan is based on the schools 10 Year Property plan / painting quotes.

### 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	62,110	58,373	61,380
Later than One Year and no Later than Five Years	61,084	22,311	87,122
Future Finance Charges	(7,929)	-	(11,805)
	<u>115,265</u>	<u>80,684</u>	<u>136,697</u>
<b>Represented by</b>			
Finance lease liability - Current	56,643	58,373	54,315
Finance lease liability - Non current	58,622	22,311	82,382
	<u>115,265</u>	<u>80,684</u>	<u>136,697</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 8.

	2022	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
SIP Funding -Landscaping		221120	171,678	150,000	(321,678)	-	-
Block 1 Toilet Alterations		211633	4,835	68,656	(83,264)	-	(9,773)
Block 2 Roof Replacement (Deferred)		212553	(4,639)	-	-	-	(4,639)
Block 1 NW End		211635	26,758	303,364	(98,826)	-	231,296
<b>Totals</b>			<b>198,632</b>	<b>522,020</b>	<b>(503,768)</b>	<b>-</b>	<b>216,884</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	231,296
Funds Receivable from the Ministry of Education	(14,412)

	2021	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
SIP Funding -Landscaping		221120	(30,301)	250,000	(48,021)	-	171,678
Roof Replacement and Repairs		211629	54,120	17,150	(71,270)	-	-
Air Conditioning Units		211631	7,812	6,787	(14,599)	-	-
Block 1 Toilet Alterations		211633	(25,469)	250,000	(219,696)	-	4,835
Block 1 -Meeting Room Alterations			(8,223)	-	8,223	-	-
Block 2 Roof Replacement (Deferred)		212553	(4,639)	-	-	-	(4,639)
Site Wide Fire System Upgrade		211630	10,742	520	(11,262)	-	-
New Main Power Supply Upgrade			(16,577)	-	16,577	-	-
Block 1 NW End		211635	(3,019)	68,656	(38,879)	-	26,758
<b>Totals</b>			<b>(15,554)</b>	<b>593,113</b>	<b>(378,927)</b>	<b>-</b>	<b>198,632</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	203,271
Funds Receivable from the Ministry of Education	(4,639)

## 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 Heads of Departments.

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	4,655	3,680
<i>Leadership Team</i>		
Remuneration	524,171	513,351
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	528,826	517,031

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance (8 members) and Property (8 members) that met 12 and 12 times respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160 - 170	160 - 170
Benefits and Other Emoluments	5 - 6	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	5.00	4.00
110 - 120	-	2.00
120 - 130	2.00	-
	7.00	6.00

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

## 20. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be 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 and no contingent assets (except as noted below) as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: nil).

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The school is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2022.

The Ministry is in the Process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The school has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023.

### 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:

\$346,062 contract for the Block 1 Toilet Alterations as agent for the Ministry of Education. This project is fully funded by the Ministry and \$318,656 has been received of which \$328,429 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$493,355 contract for the Block 1 NW End as agent for the Ministry of Education. This project is fully funded by the Ministry and \$372,019 has been received of which \$140,723 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2021:

\$4000,000 contract for the SIP Funding -Landscaping as agent for the Ministry of Education. This project is fully funded by the Ministry and \$250,000 has been received of which \$78,322 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$354,062 contract for the Block 1 Toilet Alterations as agent for the Ministry of Education. This project is fully funded by the Ministry and \$250,000 has been received of which \$245,165 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$273,133 contract for the Block 2 Roof Replacement (Deferred) as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$4,639 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$372,100 contract for the Block 1 NW End as agent for the Ministry of Education. This project is fully funded by the Ministry and \$68,656 has been received of which \$41,898 has been spent on the project to balance date. This project has been approved by the Ministry.)

### (b) Operating Commitments

There are no operating commitments as at 31 December 2022 (Operating commitments at 31 December 2021: nil).





### 23. Financial Instruments

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

#### Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	787,836	264,988	561,002
Receivables	363,657	321,632	394,882
Investments - Term Deposits	520,781	507,961	516,022
Total Financial assets measured at amortised cost	<u>1,672,274</u>	<u>1,094,581</u>	<u>1,471,906</u>

#### Financial liabilities measured at amortised cost

Payables	425,903	431,959	384,517
Finance Leases	115,265	80,684	136,697
Total Financial Liabilities Measured at Amortised Cost	<u>541,168</u>	<u>512,643</u>	<u>521,214</u>

### 24. Events After Balance Date

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

### 25. Comparatives

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



## Palmerston North Intermediate Normal School

### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Darryn Joseph	Presiding Member	Elected	Sep 2022
Ashley Gurney	Presiding Member	Elected	Sep 2025
Beth Tootell	Presiding Member	Elected	Sep 2025
Hamish Ruawai	Principal	ex Officio	
Anita Bidlake	Parent Representative	Elected	Sep 2022
James Cameron	Parent Representative	Appointed	Sep 2022
Michael Philipp	Parent Representative	Appointed	Sep 2022
Emma Ochei	Parent Representative	Elected	Sep 2025
Liz Bellis	Parent Representative	Elected	Sep 2025
Nikki Murray	Parent Representative	Elected	Sep 2025
Barbara Pritchard	Staff Representative	Elected	Sep 2022
Jonathon Clement	Staff Representative	Elected	Sep 2025

## **Palmerston North Intermediate 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 \$10,311 (excluding GST). The funding was spent on sporting endeavours.

## **Statement of Compliance with Employment Policy**

For the year ended 31st December 2022 the Palmerston North Intermediate 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.

# 2022 VARIANCE REPORT

Palmerston North Intermediate Normal School, through its Charter and Strategic Plan, describes the school's priorities and expectations for improved student outcomes. [The 2022 School Annual Plan](#) highlights for each of our SIX goals the key strategies and actions required to promote achievement towards these goals. In this annual report the Board presents its 'analysis of variance' that describes, for our school community, how the school has gone about addressing its priorities and how successful its approach has been.

## **A breakdown of our school roll as at the end of 2022 of students was as follows:**

- **723 students** – including **348 Year 7** students and **375 Year 8** students
- **346 Male** students and **377 Female** students
- **151 Maori** students
- **30 Pasifika** students (1st ethnicity)
- **ESOL** students represent students from 41 different countries
- **1 ORS (High)** **1 student** were enrolled during the 2021 school year
- **19 students** left during the year, **22 students arrived**



**The above students were assessed against the CURRICULUM LEVELS in Reading, Writing and Mathematics in November 2022.** This year PNINS has used the PAT and E-asttle assessment tools to determine whether students are achieving BELOW, AT or ABOVE expectation. This is due to the Covid situation as we felt OTJs were not valid due to lack of moderation and consistent understanding across the school. These assessment tools are also easier to ascertain the impact and acceleration rate of learning through the use of Scale Scores.

## **GOAL 1**

### **To have HIGH LEVELS of LITERACY & NUMERACY ACHIEVEMENT**

In discussion with Marau, senior school leaders and teachers about school wide achievement and target group data, reflective comments were raised and discussed. Each Report listed below will outline the achievement of cohorts, progress charts, celebrations and next steps pertaining to that Curriculum area.

<b>Maths</b>	<b>Reading Comprehension</b>	<b>Writing</b>	<b>2018 - 2021</b>
<ul style="list-style-type: none"> <li>● PAT Math Beg</li> <li>● PAT Math EOY Scaled Score</li> </ul>	<ul style="list-style-type: none"> <li>● Reading PAT Beg</li> <li>● Reading EOY Scaled Score</li> </ul>	<ul style="list-style-type: none"> <li>● Punct/Grammar Beg</li> <li>● Punct/Grammar EOY Scaled Score</li> <li>● E Asttle Writing</li> </ul>	<ul style="list-style-type: none"> <li>● Longitudinal data</li> <li>● Narrative over the years</li> </ul>

**Target students/ Indicator students.** We believe that the term 'target student' is inappropriate when selecting students to focus on as it gives a negative approach to the child. We will be using the term 'indicator students' as it then puts the emphasis on the teacher to indicate how their teaching impacts on the learner. We understand this is a slight change in terminology, but a massive difference in how we see the role of the teacher within the new PGC approach.

2021 student achievement data indicates that students have made significant progress in a range of areas across the school. However, we did not specifically select 'indicator students' to focus on as Covid impacted on the ability to build and maintain momentum, especially in PLD through the Marau model. Instead the focus moved to Home Learning and the development of online programmes to support students.

<b>ACTIONS</b>	<b>REFLECTION</b>
Data Reflection sheets being used to explain and share the story of achievement (team and school wide). Considering the following..	<ol style="list-style-type: none"> <li><b>1. Data reflections have been well used and discussed regularly by teachers and team leaders. A key change is the reflection sheets being updated at the end of the Year based on academic</b></li> </ol>

<ul style="list-style-type: none"> <li>- Moderation</li> <li>- PGC selection</li> <li>- Impact measures determined</li> <li>- PAT unpacking using the item report and ARBS</li> </ul>	<p><b>achievement. The Annual summary report and the end of year reports were key documents to encourage teachers to reflect on student outcomes for the year. The Passports could capture other areas of success for students such as the school values, participation etc. however there is considerable work required to create a level of consistency when using the Passports effectively.</b></p> <ol style="list-style-type: none"> <li><b>2. Feedback on PLD has been sport and teachers enjoy the different options that are available and linked to literacy and numeracy. The Maori focus on te ahū has certainly inspired staff and certainly aims to reach Maori students as we still have some disparity in these groups. This needs to be considered for Pasifika as well.</b></li> <li><b>3. Marau leaders did provide leadership around the reflection on indicator students. This needs to be strengthened as PLD needs to closely link to assessment in order to know the impact of initiatives. Consistency of practice needs to be a focus in order to develop a 'high trust' model. However, collective ownership of this needs to occur rather than a top down model. Teachers, middle and senior leaders need to have a contribution.</b></li> <li><b>4.</b></li> </ol>
<p>Marau leaders and teams discussing school wide achievement and outcomes</p> <ul style="list-style-type: none"> <li>- Dispositional data</li> <li>- Student voice data.</li> </ul>	
<p>Culturally responsive/ Relational pedagogy underpinning teacher growth cycles</p> <ul style="list-style-type: none"> <li>- Teacher observation and feedback linked to new attestation guidelines</li> </ul>	

### **LOOKING AHEAD, (What's new? or noteworthy)**

- 1.1 - Focus on culturally responsiveness
- 1.2 - Data reflection sheets - consistent application of assessment and teacher reflections
- 1.3 - Assessment ownership Marua and CoL personnel.
- 1.4 - Consistency of implementation

## **GOAL 2**

### **To develop TEACHER CAPABILITY to meet the needs of students.**

What will we see?

1. A culture of improvement will drive review foci based on teachers inquiring into their practice
2. Staff engaged in Literacy & Numeracy teaching will form a key aspect of school development and appraisal.
3. A localised curriculum that engages and meets the needs of ALL learners.
4. We will use Culturally Responsive Practices (CRP) and Relational Pedagogies (RP) to ensure success for all.

5. Flexible Learning Spaces (FLS) and innovative pedagogies will be part of teaching and learning.
6. 21st century technology will be used to enhance learning. Community will have a clear understanding of what a FLS looks like at PNINS

<u>ACTIONS</u>	<u>REFLECTION</u>
<ul style="list-style-type: none"> <li>● Implementation of the PGC model through marau</li> </ul>	<ol style="list-style-type: none"> <li>1. <i>Teachers were able to reflect on the impact of the PLD with the use of indicator students.</i></li> </ol>
<ul style="list-style-type: none"> <li>● Culturally responsive/ Relational pedagogy underpinning teacher growth cycles</li> </ul>	<ol style="list-style-type: none"> <li>2. <i>The model of PLD choice has worked well for most teachers , however some in the structured literacy did not embrace the PLD as expected. consideration and checkpoints would need to be considered when planning 2023.</i></li> </ol>
<ul style="list-style-type: none"> <li>● Hunt for the interpeople concept</li> </ul>	<ol style="list-style-type: none"> <li>3. <i>MKT tool was used for observations and the...</i></li> </ol>
<ul style="list-style-type: none"> <li>● Secondary School transition - Meet with teachers annually</li> </ul>	<ol style="list-style-type: none"> <li>4. <i>Covid has disrupted school visits. However, contact has been made with schools, with some welcoming the opportunity to open and share.</i></li> </ol>
<ul style="list-style-type: none"> <li>● Development of the ILE in rooms 15 - 18</li> </ul>	<ol style="list-style-type: none"> <li>5. <i>Property has been slow and the ILE will be ready for mid 2023. the board needs to urgently consider the Air conditioning plan due to the change of weather patterns</i></li> </ol>
<ul style="list-style-type: none"> <li>● 1:1 classroom environment</li> <li>● Review device numbers/leases</li> </ul>	<ol style="list-style-type: none"> <li>6. <i>Device use has been high during lockdown and additional have been purchased. A major consideration moving forward will be the power supply, storage and security.</i></li> </ol>
<ul style="list-style-type: none"> <li>● Digital learning</li> </ul>	

#### **LOOKING AHEAD, (What's new? or noteworthy)**

- 2.1 Culturally responsive practice -
  - Manaaki ki te tangata
  - (PGC) Te ahū o te reo
  - New Zealand histories
- 2.2 Passport
  - Annual overview review of destinations
- 2.3 Implementation Plan
  - Review document
  - Curriculum refresh
- 2.4 - digital usage - PLD for staff

### GOAL 3

## To recognise and cater for students' CULTURAL & SPECIAL LEARNING NEEDS

#### EXPECTED OUTCOMES:

##### What will we see;

1. Māori and Pasifika students' social and cultural needs will be identified through everything we do and the way we are with our school whānau. (Māori & Pasifika Education Plan)
2. A physical environment that acknowledges, affirms and celebrates our cultural diversity
3. High levels of student achievement and engagement
4. Staff being reflective and actively being involved in developing their capability to meet the cultural needs of students
5. Strong partnerships between families and their community, whānau, hapu and Iwi
6. ESOL Programme catering for the needs of students
7. International Students Annual code of Practice completed
8. Learning Needs for special needs students will be identified and catered for allowing them to engage in the school's curriculum in a confident and enjoyable manner. Support and / or accommodations, including environmental adaptations will be made

#### ACHIEVEMENT OUTCOME / ANALYSIS / REFLECTION:

ACTIONS	REFLECTION
<ul style="list-style-type: none"> <li>● Establish a Kaupapa Maori position               <ul style="list-style-type: none"> <li>- Te Ahu o te reo</li> </ul> </li> <li>● CRP &amp; RP being infused in everything that we do</li> </ul>	<p>1. <i>Te Ahu has had a major impact on supporting staff and students with their te reo Journey. Many undertook Te Ahu o te reo and therefore were implementing this through their Mahere planning. School</i></p>



<p>through the kahui ako</p>	<p>assemblies, reward systems and Pnins panui all are affected through this programme.</p>
<ul style="list-style-type: none"> <li>● Develop an Education Plan to lift Māori and Pasifika students. <ul style="list-style-type: none"> <li>- Creative Arts application</li> <li>- Map the Cultural Journey</li> </ul> </li> </ul>	<ol style="list-style-type: none"> <li>2. Ahurea group are responsible for developing the Maori Action Plan.</li> <li>3. Systematically we have tried to embed the CRP language across the school in many different documents such as the Implementation Plan, Appraisal summary sheet, Localised curriculum etc. However, it is time to further 'live' these through practice and actions.</li> </ol>
<ul style="list-style-type: none"> <li>● Work with iwi and pasifika to develop the whare and fale concept</li> </ul>	<ol style="list-style-type: none"> <li>4. Ahurea meet regularly</li> </ol>
<ul style="list-style-type: none"> <li>● Localised Curriculum <ul style="list-style-type: none"> <li>- NZ histories</li> <li>- Treaty Responsibilities</li> </ul> </li> </ul>	<ol style="list-style-type: none"> <li>5. The departure of the ESOL person will be the key focus for 2023.</li> <li>6. Aotearoa history has been trialled and is limited in that it is based on the knowledge and connections of staff. Iwi have been involved and support from the kaupapa Maori role has been significant. Greater thought is required on how wider knowledge on local history can be part of the local units.</li> </ol>
<ul style="list-style-type: none"> <li>● Annual review of the International Code. <ul style="list-style-type: none"> <li>- Consider allocating this role to a new position</li> </ul> </li> </ul>	<ol style="list-style-type: none"> <li>7. International students need to be a focus for 2023. Work has been done with PNBHS to investigate short term students. Consideration required due to the growing role.</li> </ol>
<ul style="list-style-type: none"> <li>● Learning Hubs operating and reviewed and are robust and effective</li> </ul>	<ol style="list-style-type: none"> <li>8. Learning Hub change is inevitable with the growing Special Needs students for 2023. Therefore, review the systems and make changes to support students.</li> </ol>
<ul style="list-style-type: none"> <li>● Support AP in her role as SENCO close liaison with SLT re students of concern</li> </ul>	<ol style="list-style-type: none"> <li>9. Edlead has supported the leadership, however a change is required for 2023.</li> </ol>
<ul style="list-style-type: none"> <li>● Edlead involved to support SLT/Team and aspiring Leaders</li> </ul>	<ol style="list-style-type: none"> <li>10.</li> </ol>

### **LOOKING AHEAD (What's new? or noteworthy)**

- 3.1 - Nga matanga kaupapa position based on roll
- 3.2 - ESOL personnel and systems
- 3.3 - Learning Hubs
- 3.4 - Leadership focus and PLD

## GOAL 4

### **To provide and promote student PARTICIPATION IN A WIDE RANGE of sporting and cultural opportunities**

#### **EXPECTED OUTCOMES:**

1. A sports EOTC programme that caters for a range of activities to meet the needs of students both locally and on the national stage.
2. In- school competitions
3. Annual school sporting programme
4. Sports uniforms and equipment that reflect pride
5. Performing arts programme that allow all students to participate in their desired field.
6. Cultural performing groups available for students
7. Academic programmes available that inspire and motivate students to achieve and participate
8. An outside environment that is inline with the school's values - Collaboration

#### **ACHIEVEMENT OUTCOME / ANALYSIS / REFLECTION**

ACTIONS	REFLECTIONS
<ul style="list-style-type: none"> <li>● PARTICIPATION FOCUS               <ul style="list-style-type: none"> <li>- Try a sport programme to be developed to cater for a variety of interests.</li> <li>- Greater opportunities for teachers to be involved.</li> </ul> </li> <li>● Review sports uniform inline with School uniform and to suit specific sports               <ul style="list-style-type: none"> <li>- Legend contract signed</li> <li>- Academy apparel review</li> </ul> </li> </ul>	<ol style="list-style-type: none"> <li>1. <i>Opportunities have grown despite the the Covid lockdowns</i></li> <li>2. <i>School uniforms have been reviewed and sports uniforms will be done with Legends. Consultation and implementation plan will need to be considered to encompass, transition, second hand sales etc</i></li> <li>3. <i>Outdoor area is nearly complete with decking and performing areas also available. These have been used already in term four with the Poetry a, busking and dance challenges.</i></li> <li>4. <i>The Taradle exchange has been reduced from an overnight to a one day event.</i></li> </ol>

<ul style="list-style-type: none"> <li>● Begin Stage 1 of the Masterplan concept</li> <li>● Engage iwi with the design and building of the whare and iwi</li> </ul>	<p>5. <i>Cultural art work is a need to link the 'awa' and Rangitane to the overall design. Matua Charlie can be involved in this through the Creative Arts focus. This can be supported by the kaupapa Maori teacher.</i></p>
<ul style="list-style-type: none"> <li>● Continue annual events - Taradale exchange, AIMS, - Implement Sports exchange term 2</li> </ul>	<p>6. <i>No sports exchange is currently being offered and this should be investigated for the future.</i></p>

**LOOKING AHEAD, (What's new? or noteworthy)**

- 4.1 School Uniform
- 4.2 Creative Arts team and Action plan
- 4.3 Kaupapa Maori Teacher

**GOAL 5**  
**To provide for the SOCIAL & EMOTIONAL needs of students**

**EXPECTED OUTCOMES:**

- Students having an understanding and displaying the 5 Keys to Success to support the emerging adolescent
- A health overview that meets the needs of students of this age.
- PE Programme
- Health and wellbeing overview
- Wellbeing plan implemented and meeting the needs of staff
- PB4L school wide embedded and moving from a programme to a way of being.

**ACHIEVEMENT OUTCOME / ANALYSIS / REFLECTION**

ACTION	REFLECTION
<ul style="list-style-type: none"> <li>● Teachers teach expectations explicitly, consistently, alongside SEL lessons. (Tuhono, Maia, Aumangea, Ngana &amp; Whakapai)</li> </ul>	<p>1. <i>The SEL programme (Keys) is consistently taught through weekly lessons.</i></p>
<ul style="list-style-type: none"> <li>● SEL clearly linked to the Annual overview (not as an add on)</li> </ul>	<p>2. <i>PB4L is a strong programme and has the necessary systems implemented for tier 1. Consistency of staff will</i></p>

<ul style="list-style-type: none"> <li>Construct the wellbeing team and develop and fund a plan accordingly</li> </ul>	<p><i>always be a focus. Moving to tier 2 training would be an appropriate next step for the school.</i></p>
<ul style="list-style-type: none"> <li>As part of the annual IT plan ensure safety of students online is a focus - cybersafety day at the beginning of the year - then embedding practices throughout the year in units of work</li> </ul>	<p><b>3. Wellbeing team has been focused on providing social events for staff . This has been well received , especially during Covid times. However, consideration needs to be given to the costs of these activities and returning to some form if normality.</b></p>
<ul style="list-style-type: none"> <li>As part of the consultation plan, develop a survey for health.</li> </ul>	<p><b>4. Consultation around safety , CRP was undertaken and Health consultation needs to be done for students of pre adolescent age. (puberty , sexuality, Drugs and alcohol) could this be done as part of life ed.</b></p>

### **LOOKING AHEAD (What's new? or noteworthy)**

- 5.1 PB4L consistency of tier 1 systems
- 5.2 Health Consultation

## **GOAL 6**

### **To encourage an EFFECTIVE PARTNERSHIP between the school and its community**

#### **EXPECTED OUTCOMES:**

- Community groups being involved in the schools localised curriculum.
- Massey University and the teacher training programme operating to its full potential in the graduate programmes.
- International students attending
- Community of learners (COL) participation.
- Strong partnerships between families and their community.
- Whanau, hapu & iwi.
- Community surveys

#### **ACHIEVEMENT OUTCOME / ANALYSIS / REFLECTION**

ACTION	REFLECTION
<ul style="list-style-type: none"> <li>● Use Studio 74 to Update website to include: camp details, sport registrations, international student information.               <ol style="list-style-type: none"> <li>1. Use the parent feedback to make adjustments and clarify platform uses.</li> </ol> </li> <li>● Website information are international students to be updated and proactively promoted.</li> <li>● Investigate the REAL Programme based in town</li> <li>● International students Code of Conduct updated.</li> <li>● Attend the Normal school conference and strengthen the relationship with Massey</li> <li>● Develop a new support role for Massey teachers (and other ITE providers) and PCT's and their mentors</li> </ul>	<ul style="list-style-type: none"> <li>● <i>The external newsletter provider has given our newsletters a more professional look and uniformity of logos etc. Consideration around cost and time frames could be explored for 2023.</i></li> <li>● <i>International webpage is operational and we have been working alongside PNBHS regarding distribution of information at expos. Possible short term students are available in 2023.</i></li> <li>● <i>Covid has limited the ability to run the community based programme REAL. This could possibly be an option for 2023 depending on the ILE completion date.</i></li> <li>● <i>Normal school conference was hugely beneficial and saw the potential with the universities to develop teachers. Appointed on to the Normal exec representing PNth</i></li> <li>● <i>The PCT role was beneficial but clearer plan needs to be developed for the year targeting key points such as Reports, Assessment</i></li> </ul>

### **LOOKING AHEAD**

- 6.1 Master outdoor plan construction - Creative arts project (Pasifika community/ Rangitane iwi)
- 6.2 Focus on International students (short term and long term.)
- 6.3 Participate in the NORMAL SCHOOLS review of ITE and attend conference discussion

Hamish Ruawai  
**Principal**  
**31 December 2022**

**Chairperson, Board of Trustees**  
**31 December 2022**