



TE KURA O TE TAUAWA

**HALSWELL  
SCHOOL**

*Learning To Thrive*

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

**School Directory**

<b>Ministry Number:</b>	3366
<b>Principal:</b>	Stuart Cameron
<b>School Address:</b>	1 School Road, Halswell, Christchurch, 8025
<b>School Phone:</b>	03 322 7038
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# HALSWELL SCHOOL

Annual Report - For the year ended 31 December 2021

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# Halswell 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.

Robin Michael Dixon

Full Name of Presiding Member

Signature of Presiding Member

10 May 2022

Date:

Stuart Nicholas Cameron

Full Name of Principal

Signature of Principal

10 May 2022

Date:

# **Halswell School**

## **Members of the Board**

For the year ended 31 December 2021

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Rob Dixon	Presiding Member	Elected	Sep 2022
Stuart Cameron	Principal ex Officio		
Natasha Buckby	Parent Representative	Elected	Sep 2022
Giarne Harrison	Parent Representative	Elected	Sep 2022
Ged Robinson	Parent Representative	Elected	Sep 2022
Michelle Bishop	Parent Representative	Selected	Sep 2022
Anita Head	Staff Representative	Elected	Sep 2022
Shaun Perrin	Parent Representative	Elected	Sep 2022

# Halswell School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	5,050,835	4,969,257	5,316,114
Locally Raised Funds	3	295,634	247,830	236,372
Interest Income		5,690	6,000	8,076
International Students	4	106,152	101,375	312,484
		<u>5,458,311</u>	<u>5,324,462</u>	<u>5,873,046</u>
<b>Expenses</b>				
Locally Raised Funds	3	27,288	19,420	18,885
International Students	4	16,682	19,781	55,611
Learning Resources	5	3,577,969	3,670,389	3,481,026
Administration	6	289,486	258,953	214,757
Finance		6,832	-	8,655
Property	7	1,364,820	1,356,922	1,761,428
Depreciation	11	197,423	125,000	222,617
Loss on Disposal of Property, Plant and Equipment		32,578	-	3,714
		<u>5,513,078</u>	<u>5,450,465</u>	<u>5,766,693</u>
<b>Net (Deficit)/Surplus for the year</b>		<b>(54,767)</b>	<b>(126,003)</b>	<b>106,353</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(54,767)</b>	<b>(126,003)</b>	<b>106,353</b>

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

# Halswell School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>		1,583,771	1,583,771	1,477,418
Total comprehensive revenue and expense for the year		(54,767)	(126,003)	106,353
<b>Equity at 31 December</b>		1,529,004	1,457,768	1,583,771
Retained Earnings		1,529,004	1,457,768	1,583,771
<b>Equity at 31 December</b>		1,529,004	1,457,768	1,583,771

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.

# Halswell School

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	606,555	539,313	628,896
Accounts Receivable	9	300,261	249,071	249,071
GST Receivable		2,778	5,596	5,596
Prepayments		19,764	14,222	14,221
Investments	10	-	280,000	280,000
		<u>929,358</u>	<u>1,088,202</u>	<u>1,177,784</u>
<b>Current Liabilities</b>				
Accounts Payable	12	299,750	260,737	260,737
Revenue Received in Advance	13	34,057	95,470	95,470
Provision for Cyclical Maintenance	14	16,237	-	-
Finance Lease Liability	15	32,048	32,352	32,352
Funds held in Trust	16	-	865	865
Funds held for Capital Works Projects	17	64,772	44,676	44,676
		<u>446,864</u>	<u>434,100</u>	<u>434,100</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>482,494</b>	<b>654,102</b>	<b>743,684</b>
<b>Non-current Assets</b>				
Investments	10	280,000	-	-
Property, Plant and Equipment	11	790,677	856,570	892,991
		<u>1,070,677</u>	<u>856,570</u>	<u>892,991</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	3,917	8,954	8,954
Finance Lease Liability	15	20,250	43,950	43,950
		<u>24,167</u>	<u>52,904</u>	<u>52,904</u>
<b>Net Assets</b>		<u><u>1,529,004</u></u>	<u><u>1,457,768</u></u>	<u><u>1,583,771</u></u>
<b>Equity</b>		<u><u>1,529,004</u></u>	<u><u>1,457,768</u></u>	<u><u>1,583,771</u></u>

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

**Halswell School**  
**Statement of Cash Flows**  
For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		1,088,368	1,018,431	1,116,248
Locally Raised Funds		288,693	247,830	324,355
International Students		44,739	101,375	49,545
Goods and Services Tax (net)		2,818	-	(22,370)
Payments to Employees		(692,446)	(660,399)	(695,005)
Payments to Suppliers		(631,266)	(714,241)	(660,539)
Interest Received		5,793	6,000	8,744
Net cash from/(to) Operating Activities		106,699	(1,004)	120,978
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(118,220)	(88,579)	(107,449)
Net cash (to)/from Investing Activities		(118,220)	(88,579)	(107,449)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(30,051)	-	(30,375)
Funds Administered on Behalf of Third Parties		19,231	-	39,241
Net cash (to)/from Financing Activities		(10,820)	-	8,866
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(22,341)</b>	<b>(89,583)</b>	<b>22,395</b>
Cash and cash equivalents at the beginning of the year	8	628,896	628,896	606,501
<b>Cash and cash equivalents at the end of the year</b>	8	<b>606,555</b>	<b>539,313</b>	<b>628,896</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.



# Halswell School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### 1.1. Reporting Entity

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

##### 1.2. Basis of Preparation

###### *Reporting Period*

The financial 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.



### ***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.

### **1.3. Revenue Recognition**

#### ***Government Grants***

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

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

Teachers Salaries Grants are recorded as revenue when the School has the rights to the funding in the salary period 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.

### **1.4. Operating Lease Payments**

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

### **1.5. Finance Lease Payments**

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

### **1.6. Cash and Cash Equivalents**

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

### **1.7. Accounts Receivable**

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



## 1.8. Investments

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

## 1.9. 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:

Building improvements to Crown Owned Assets	10-50 years
Furniture and equipment	5-10 years
Information and communication technology	4-5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

## 1.10. Impairment of property, plant and equipment and Intangible assets

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

### **Non cash generating assets**

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

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

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

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



### **1.11. Accounts Payable**

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

### **1.12. Employee Entitlements**

#### *Short-term employee entitlements*

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

#### *Long-term employee entitlements*

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

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

### **1.13. Revenue Received in Advance**

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

### **1.14. 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.

### **1.15. Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

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

The School's financial liabilities comprise accounts payable, borrowings, painting contract liability 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.

### **1.16. 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.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

### **1.17. Goods and Services Tax (GST)**

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.



**1.18. Budget Figures**

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

**1.19. 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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	945,950	883,728	904,240
Teachers' Salaries Grants	2,916,182	2,916,182	2,751,585
Use of Land and Buildings Grants	1,032,322	1,032,322	1,438,745
Other MoE Grants	121,627	99,200	181,543
Other Government Grants	34,754	37,825	40,001
	<u>5,050,835</u>	<u>4,969,257</u>	<u>5,316,114</u>

## 3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
Donations & Bequests	243,435	214,810	199,751
Fees for Extra Curricular Activities	20,204	13,400	15,141
Trading	20,771	13,020	13,235
Fundraising & Community Grants	5,065	4,600	4,571
Other Revenue	6,159	2,000	3,674
	<u>295,634</u>	<u>247,830</u>	<u>236,372</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	20,048	13,400	12,178
Trading	4,225	3,020	4,918
Fundraising & Community Grant Costs	2,070	1,000	814
Other Locally Raised Funds Expenditure	945	2,000	975
	<u>27,288</u>	<u>19,420</u>	<u>18,885</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>268,346</u>	<u>228,410</u>	<u>217,487</u>

## 4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	10	29	29
<b>Revenue</b>			
International Student Fees	106,152	101,375	312,484
<b>Expenses</b>			
Student Recruitment	11,068	17,281	33,272
Employee Benefit - Salaries	-	2,000	9,605
Other Expenses	5,614	500	12,734
	<u>16,682</u>	<u>19,781</u>	<u>55,611</u>
<i>Surplus / (Deficit) for the year International Students</i>	<u>89,470</u>	<u>81,594</u>	<u>256,873</u>

## 5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	202,980	255,216	211,235
Equipment Repairs	3,536	6,000	3,274
Library Resources	5,328	5,770	5,039
Employee Benefits - Salaries	3,345,209	3,368,403	3,235,064
Staff Development	20,916	35,000	26,414
	<u>3,577,969</u>	<u>3,670,389</u>	<u>3,481,026</u>

## 6. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,817	4,582	4,104
Board Fees	5,060	5,060	4,895
Board Expenses	23,644	23,200	6,233
Communication	4,878	6,050	4,545
Consumables	30,958	33,500	30,564
Operating Lease	13,925	44,500	11,787
Legal Fees	5,000	-	7,450
Other	10,045	4,500	4,099
Employee Benefits - Salaries	177,751	125,500	129,080
Insurance	6,378	6,291	6,127
Service Providers, Contractors and Consultancy	7,030	5,770	5,873
	<u>289,486</u>	<u>258,953</u>	<u>214,757</u>

## 7. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	5,231	10,000	9,783
Consultancy and Contract Services	99,690	100,000	90,514
Cyclical Maintenance Provision	11,200	11,200	16,800
Grounds	9,146	16,000	17,870
Heat, Light and Water	60,750	60,000	43,735
Rates	14,507	13,500	13,503
Repairs and Maintenance	51,540	29,900	57,062
Use of Land and Buildings	1,032,322	1,032,322	1,438,745
Security	1,008	1,000	730
Employee Benefits - Salaries	79,426	83,000	72,686
	<u>1,364,820</u>	<u>1,356,922</u>	<u>1,761,428</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.

## 8. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	606,555	539,313	628,896
Cash and cash equivalents for Statement of Cash Flows	<u>606,555</u>	<u>539,313</u>	<u>628,896</u>

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

Of the \$606,555 Cash and Cash Equivalents, \$80,851 is held by the School on behalf of the Ministry of Education. These funds have been provided for 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 2022 on Crown owned school buildings.

## 9. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	42,754	35,813	35,813
Receivables from the Ministry of Education	1,389	-	-
Interest Receivable	668	771	771
Teacher Salaries Grant Receivable	255,450	212,487	212,487
	<u>300,261</u>	<u>249,071</u>	<u>249,071</u>
Receivables from Exchange Transactions	43,422	36,584	36,584
Receivables from Non-Exchange Transactions	256,839	212,487	212,487
	<u>300,261</u>	<u>249,071</u>	<u>249,071</u>

## 10. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	-	280,000	280,000
Non-current Asset			
Long-term Bank Deposits	280,000	-	-
Total Investments	<u>280,000</u>	<u>280,000</u>	<u>280,000</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements	275,119	35,871	(10,179)	-	(41,437)	259,374
Furniture and Equipment	464,544	44,030	(23)	-	(97,468)	411,083
Information and Communication Technology	62,700	19,872	(13,177)	-	(19,865)	49,530
Leased Assets	46,240	9,467	-	-	(32,261)	23,446
Library Resources	44,388	16,033	(9,285)	-	(6,392)	44,744
Work in Progress	-	2,500	-	-	-	2,500
Balance at 31 December 2021	<u>892,991</u>	<u>127,773</u>	<u>(32,664)</u>	<u>-</u>	<u>(197,423)</u>	<u>790,677</u>

The net carrying value of equipment held under a finance lease is \$23,446 (2020: \$46,240)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Building Improvements	476,040	(216,666)	259,374	536,538	(261,419)	275,119
Furniture and Equipment	1,078,250	(667,167)	411,083	1,119,114	(654,570)	464,544
Information and Communication Technology	433,234	(383,704)	49,530	597,622	(534,922)	62,700
Leased Assets	126,840	(103,394)	23,446	129,283	(83,043)	46,240
Library Resources	76,316	(31,572)	44,744	76,228	(31,840)	44,388
Work in Progress	2,500	-	2,500	-	-	-
Balance at 31 December	<u>2,193,180</u>	<u>(1,402,503)</u>	<u>790,677</u>	<u>2,458,785</u>	<u>(1,585,794)</u>	<u>892,991</u>

## 12. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	23,555	19,654	19,654
Accruals	4,817	4,104	4,104
Banking Staffing Overuse	-	2,322	2,322
Employee Entitlements - Salaries	262,554	215,374	215,374
Employee Entitlements - Leave Accrual	8,824	19,283	19,283
	<u>299,750</u>	<u>260,737</u>	<u>260,737</u>
Payables for Exchange Transactions	<u>299,750</u>	<u>260,737</u>	<u>260,737</u>
	<u>299,750</u>	<u>260,737</u>	<u>260,737</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	33,696	95,109	95,109
Other Revenue in Advance	361	361	361
	<u>34,057</u>	<u>95,470</u>	<u>95,470</u>



#### 14. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	8,954	8,954	16,800
Increase/ (decrease) to the Provision During the Year	11,200	11,200	16,800
Use of the Provision During the Year	-	(11,200)	(24,646)
Provision at the End of the Year	20,154	8,954	8,954
Cyclical Maintenance - Current	16,237	-	-
Cyclical Maintenance - Term	3,917	8,954	8,954
	20,154	8,954	8,954

#### 15. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	35,922	38,882	38,882
Later than One Year and no Later than Five Years	21,239	47,757	47,757
Future Finance Charges	(4,863)	(10,337)	(10,337)
	52,298	76,302	76,302
Represented by:			
Finance lease liability - Current	32,048	32,352	32,352
Finance lease liability - Term	20,250	43,950	43,950
	52,298	76,302	76,302

#### 16. Funds Held in Trust

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	-	865	865
	-	865	865

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

#### 17. Funds Held for Capital Works Projects

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

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Caretakers Garage & Scooter Park SIP	31,682	3,516	(35,198)	-	-
Heatpump cages & Outdoor speakers SIP	14,494	2,931	(17,425)	-	-
Bund & Retaining Wall	(1,500)	-	-	-	(1,500)
Playpod, garage, seating	-	53,337	(63,337)	-	-
Bundle 5 - Various	-	68,708	(35,419)	-	31,289
Bundle 6 - Various	-	71,505	(21,943)	-	49,562
Astroturf	-	-	(14,579)	-	(14,579)
Totals	44,676	197,997	(177,901)	-	64,772

#### Represented by:

Funds Held on Behalf of the Ministry of Education	80,851
Funds Due from the Ministry of Education	(16,079)
	64,772

2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Astroturf SIP	-	62,377	(62,377)	-	-
Caretakers Garage & Scooter Park SIP	-	55,711	(24,029)	-	31,682
Heatpump cages & Outdoor speakers SIP	-	45,021	(30,527)	-	14,494
Bund & Retaining Wall	-	-	(1,500)	-	(1,500)
Totals	-	163,109	(118,433)	-	44,676



## 18. Related Party Transactions

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

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

## 19. Remuneration

### Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	5,060	4,895
<i>Leadership Team</i>		
Remuneration	870,746	793,847
Full-time equivalent members	8.00	7.00
<b>Total key management personnel remuneration</b>	<b>875,806</b>	<b>798,742</b>

There are six members of the Board excluding the Principal. The Board had held ten full meetings of the Board in the year. The Board also has Finance (two members) and Property (two members) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### Principal

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

	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	0-10	0-10
Termination Benefits	0 - 0	0 - 0

### Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100 -110	3.00	3.00
110 -120	2.00	-
120 - 130	1.00	-
	<b>6.00</b>	<b>3.00</b>

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

## 20. Compensation and Other Benefits Upon Leaving

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

	2021 Actual \$	2020 Actual \$
Total	43,592	-
Number of People	1	-



## 21. Contingencies

### 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.

## 22. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has entered into the following contract agreements for capital works.

(a) SIP-Bund/Retaining wall. A low retaining wall running the length of the bund was completed on 20 November, 2021. Part of the scope of works included removing an existing fence to provide better access to the bund for maintenance purposes. The project was fully funded by the MoE under the SIP programme.

(b) A \$89050 contract for MOE SIP Bundle 6 has been approved from the Ministry of Education. This project is fully funded by the Ministry and \$71,505 has been received of which \$21,943 has been spent on the project to balance date. This project has been approved by the Ministry; and

(c) SIP-Bundle 5. Bundle 5 is comprised of a range of property projects including the replacement of a water system in the staff lounge, installation of a VOIP phone system, replacement of external light and a hand dryer, double glazing of Kahui, blinds for the new BBQ area and a water play feature for the junior school. A total of \$88,244 has been approved for these projects and will be funded by MOE SIP funding. To date \$66,708 has been received and \$35,419 has been spent. The majority of these jobs were completed between December 2021 and January 2022. The only job still to be completed in Bundle 5 is the water play feature for the junior school due to delays on a part coming from overseas.

(d) SIP-Astroturf - As part of the original SIP scope of works, the Board and MoE approved the construction of a new AstroTurf court. In preparation for this project the Board incurred \$14,579 in preliminary work. This work included chemical testing of the soil, an arborist report, ground preparations and costs associated with a community consultation process. The project was abandoned in mid 2021. The MoE has agreed to fully fund these costs as part of Bundle 5.

(Capital commitments in relation to Ministry projects at 31 December 2020: \$44,676)

### (b) Operating Commitments

As at 31 December 2021 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2020: 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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	606,555	539,313	628,896
Receivables	300,261	249,071	249,071
Investments - Term Deposits	280,000	280,000	280,000
Total Financial assets measured at amortised cost	<u>1,186,816</u>	<u>1,068,384</u>	<u>1,157,967</u>

### Financial liabilities measured at amortised cost

Payables	299,750	260,737	260,737
Finance Leases	52,298	76,902	76,902
Total Financial liabilities measured at amortised Cost	<u>352,048</u>	<u>337,039</u>	<u>337,039</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.



## **26. 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 3 and 2 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.

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.