

BALMACEWEN INTERMEDIATE SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	3711
Principal:	Andrew Hunter
School Address:	44 Chapman Street, Wakari Dunedin 9010, New Zealand
School Postal Address:	44 Chapman Street, Wakari Dunedin 9010, New Zealand
School Phone:	(03) 466 7251
School Email:	office@balmacewen.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Andrew Dawson	Presiding Member	Elected	May-22
Andrew Hunter	Principal ex Officio		
Susan Cathro	Secretary - non voting		
Rhodes Donald	Parent Representative	Elected	May-22
John Blaikie	Parent Representative	Elected	May-22
Jamie Cargill	Parent Representative	Elected	May-22
Paul Kemmett	Staff Representative	Elected	May-22

Accountant / Service Provider: Moore Markhams Otago

BALMACEWEN INTERMEDIATE SCHOOL

Annual Report - For the year ended 31 December 2021

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Balmacewen Intermediate 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.

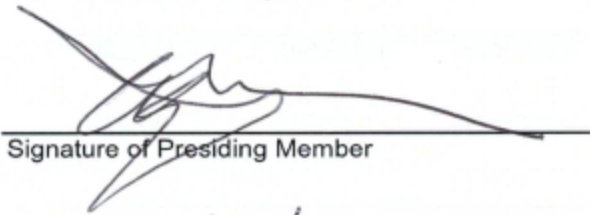
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

Andrew Dawson

Full Name of Presiding Member




Signature of Presiding Member

27/05/2022

Date:

Andrew Hunter

Full Name of Principal



Signature of Principal

27 May 2022

Date:

Balmacewen Intermediate School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	3,816,425	3,866,064	3,959,086
Locally Raised Funds	3	302,389	236,696	335,850
Interest Income		2,934	5,000	6,670
International Students	4	28,000	-	-
		4,149,748	4,107,760	4,301,606
Expenses				
Locally Raised Funds	3	234,478	203,000	196,286
Learning Resources	5	2,929,801	2,565,000	2,753,890
Administration	6	184,175	186,500	188,844
Finance		2,082	-	3,145
Property	7	857,185	1,059,542	969,777
Depreciation	11	128,754	79,500	140,294
		4,336,475	4,093,542	4,252,236
Net Surplus / (Deficit) for the year		(186,727)	14,218	49,370
Total Comprehensive Revenue and Expense for the Year		(186,727)	14,218	49,370

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

Balmacewen Intermediate School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		1,442,093	1,442,093	1,392,723
Total comprehensive revenue and expense for the year		(186,727)	14,218	49,370
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		26,405	-	-
Distribution of Equity		(44,273)	-	-
Equity at 31 December		1,237,498	1,456,311	1,442,093
Retained Earnings		1,237,498	1,456,311	1,442,093
Equity at 31 December		1,237,498	1,456,311	1,442,093

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.

Balmacewen Intermediate School

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	8	341,212	445,926	431,708
Accounts Receivable	9	206,476	173,086	173,086
GST Receivable		15,807	27,303	27,303
Prepayments		15,732	15,010	15,010
Investments	10	107,548	212,682	212,682
		686,775	874,007	859,789
Current Liabilities				
Accounts Payable	12	253,668	238,439	238,439
Revenue Received in Advance	13	22,283	27,598	27,598
Provision for Cyclical Maintenance	14	15,300	6,000	6,000
Finance Lease Liability	15	15,164	19,419	19,419
Funds held for Capital Works Projects	16	-	91,930	91,930
		306,415	383,386	383,386
Working Capital Surplus/(Deficit)		380,360	490,621	476,403
Non-current Assets				
Property, Plant and Equipment	11	997,370	1,046,603	1,046,603
		997,370	1,046,603	1,046,603
Non-current Liabilities				
Provision for Cyclical Maintenance	14	107,200	76,250	76,250
Finance Lease Liability		33,032	4,663	4,663
		140,232	80,913	80,913
Net Assets		1,237,498	1,456,311	1,442,093
Equity		1,237,498	1,456,311	1,442,093

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

Balmacewen Intermediate School

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		956,957	814,522	980,056
Locally Raised Funds		286,669	33,696	337,661
International Students		28,000	-	14,000
Goods and Services Tax (net)		11,496	-	(9,779)
Payments to Employees		(684,645)	(291,500)	(621,286)
Payments to Suppliers		(632,127)	(468,000)	(499,250)
Interest Paid		(1,275)	-	(2,269)
Interest Received		3,099	5,000	7,346
Net cash from/(to) Operating Activities		(31,826)	93,718	206,479
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(76,635)	(79,500)	(79,003)
Purchase of Investments		105,134	-	(5,244)
Net cash from/(to) Investing Activities		28,499	(79,500)	(84,247)
Cash flows from Financing Activities				
Furniture and Equipment Grant		26,405	-	-
Finance Lease Payments		(21,644)	-	(19,617)
Funds Administered on Behalf of Third Parties		(91,930)	-	37,533
Net cash from/(to) Financing Activities		(87,169)	-	17,916
Net increase/(decrease) in cash and cash equivalents		(90,496)	14,218	140,148
Cash and cash equivalents at the beginning of the year	8	431,708	431,708	291,560
Cash and cash equivalents at the end of the year	8	341,212	445,926	431,708

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.

Balmacewen Intermediate School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition**Government Grants**

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

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) 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.

i) 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	10-50 years
Information and communication technology	4-5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3-4 years
Library resources	10 years

j) 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 or licensing of software 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.

k) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

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

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

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

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

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

n) Revenue Received in Advance

Revenue received in advance relates to fees received from international students and student fees in advance 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.

o) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

p) Financial Instruments

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

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

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

q) 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.

r) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

t) Services received in-kind

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

2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	840,696	744,957	834,767
Teachers' Salaries Grants	2,306,354	2,300,000	2,220,049
Use of Land and Buildings Grants	545,464	751,542	751,542
Other MoE Grants	116,261	69,565	130,283
Other Government Grants	7,650	-	22,445
	3,816,425	3,866,064	3,959,086

The school has not opted in to the donations scheme for this year.

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Donations & Bequests	48,330	42,000	109,526
Fees for Extra Curricular Activities	179,866	141,696	122,744
Trading	10,055	12,000	39,631
Fundraising & Community Grants	21,769	-	15,460
Other Revenue	42,369	41,000	48,489
	302,389	236,696	335,850
Expenses			
Extra Curricular Activities Costs	212,544	146,000	141,377
Trading	9,262	12,000	48,402
Fundraising and Community Grant Costs	1,805	-	3,123
Other Locally Raised Funds Expenditure	10,867	45,000	3,384
	234,478	203,000	196,286
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	67,911	33,696	139,564

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	2	-	-
	2021 Actual	2021 Budget (Unaudited)	2020 Actual
International Student Fees	28,000	-	-
<i>Surplus/ (Deficit) for the year International Students</i>	28,000	-	-

5. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	51,257	70,000	51,935
Library Resources	1,670	6,000	1,823
Employee Benefits - Salaries	2,861,551	2,462,000	2,695,289
Staff Development	15,323	27,000	4,843
	<u>2,929,801</u>	<u>2,565,000</u>	<u>2,753,890</u>

6. Administration

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Audit Fee	5,655	4,500	3,600
Board Fees	1,990	4,500	2,175
Board Expenses	3,833	10,000	8,322
Communication	11,290	9,500	12,570
Consumables	25,691	34,500	20,678
Operating Lease	2,203	6,000	2,018
Other	27,874	31,000	37,956
Employee Benefits - Salaries	92,715	73,000	89,358
Insurance	8,874	9,000	8,557
Service Providers, Contractors and Consultancy	4,050	4,500	3,610
	<u>184,175</u>	<u>186,500</u>	<u>188,844</u>

7. Property

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	85,190	81,000	75,887
Cyclical Maintenance Provision	53,250	20,000	(25,350)
Grounds	26,015	29,000	19,410
Heat, Light and Water	40,427	53,000	52,271
Rates	12,259	9,500	12,449
Repairs and Maintenance	40,560	56,000	26,030
Use of Land and Buildings	545,464	751,542	751,542
Security	767	3,000	850
Employee Benefits - Salaries	53,253	56,500	56,688
	<u>857,185</u>	<u>1,059,542</u>	<u>969,777</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 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	127,593	340,065	325,847
Short-term Bank Deposits	213,619	212,682	105,861
Cash and cash equivalents for Statement of Cash Flows	341,212	552,747	431,708

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

9. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables from the Ministry of Education	9,004	-	-
Interest Receivable	651	816	816
Teacher Salaries Grant Receivable	196,821	172,270	172,270
	206,476	173,086	173,086
Receivables from Exchange Transactions	9,655	816	816
Receivables from Non-Exchange Transactions	196,821	172,270	172,270
	206,476	173,086	173,086

10. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	107,548	318,543	212,682
Total Investments	107,548	318,543	212,682

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Building Improvements	702,971	-	-	-	(36,995)	665,976
Furniture and Equipment	184,924	15,070	-	-	(34,397)	165,597
Information and Communication Technology	100,245	12,402	-	-	(34,498)	78,149
Motor Vehicles	6,637	-	-	-	(2,283)	4,354
Leased Assets	15,287	45,758	-	-	(13,057)	47,988
Library Resources	36,539	6,291	-	-	(7,524)	35,306
Balance at 31 December 2021	1,046,603	79,521	-	-	(128,754)	997,370

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	1,163,925	(497,949)	665,976	1,163,925	(460,954)	702,971
Furniture and Equipment	889,246	(723,649)	165,597	874,176	(689,252)	184,924
Information and Communication Technology	250,523	(172,374)	78,149	238,121	(137,876)	100,245
Motor Vehicles	43,279	(38,925)	4,354	43,279	(36,642)	6,637
Leased Assets	170,299	(122,311)	47,988	124,541	(109,254)	15,287
Library Resources	90,928	(55,622)	35,306	85,159	(48,620)	36,539
Balance at 31 December	2,608,200	(1,610,830)	997,370	2,529,201	(1,482,598)	1,046,603

12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	14,844	61,299	61,299
Accruals	6,875	4,870	4,870
Banking Staffing Overuse	18,608	-	-
Employee Entitlements - Salaries	213,341	172,270	172,270
Employee Entitlements - Leave Accrual	-	-	-
	<u>253,668</u>	<u>238,439</u>	<u>238,439</u>
Payables for Exchange Transactions	253,668	238,439	238,439
	<u>253,668</u>	<u>238,439</u>	<u>238,439</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	14,000	14,000	14,000
Other revenue in Advance	8,283	13,598	13,598
	<u>22,283</u>	<u>27,598</u>	<u>27,598</u>

14. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	82,250	82,250	107,600
Increase/ (decrease) to the Provision During the Year	34,500	-	10,650
Use of the Provision During the Year	(13,000)	-	(40,000)
Adjustment to the Provision	18,750		4,000
Provision at the End of the Year	<u>122,500</u>	<u>82,250</u>	<u>82,250</u>
Cyclical Maintenance - Current	15,300	6,000	6,000
Cyclical Maintenance - Term	107,200	76,250	76,250
	<u>122,500</u>	<u>82,250</u>	<u>82,250</u>

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	17,100		22,673
Later than One Year and no Later than Five Years	34,314		4,993
Future Finance Charges	(3,218)		(3,585)
	<u>48,196</u>	<u>-</u>	<u>24,081</u>
Represented by			
Finance lease liability - Current	15,164		19,419
Finance lease liability - Term	33,032		4,662
	<u>48,196</u>	<u>-</u>	<u>24,081</u>

16. Funds Held for Capital Works Projects

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

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Siteworks		91,930	-	(136,203)	44,273	-
Totals		<u>91,930</u>	<u>-</u>	<u>(136,203)</u>	<u>44,273</u>	<u>-</u>
	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Hardsurface Court		54,397	206,698	(261,095)	-	-
Siteworks		-	122,941	(31,011)	-	91,930
Totals		<u>54,397</u>	<u>329,639</u>	<u>(292,106)</u>	<u>-</u>	<u>91,930</u>

17. Related Party Transactions

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

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

18. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	1,990	2,175
<i>Leadership Team</i>		
Remuneration	582,675	562,250
Full-time equivalent members	5	5
Total key management personnel remuneration	584,665	564,425

There are 5 members of the Board excluding the Principal. The Board had held 7 full meetings of the Board in the year. The Board also has members responsible for Finance (Andrew Dawson) and Property (Jamie Cargill) who meet monthly. 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	150 - 160	150 - 160
Benefits and Other Emoluments	20 -25	20 -25
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
110 - 120	1	-
100 - 110	3	3
	4	3

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

19. Compensation and Other Benefits Upon Leaving

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

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

20. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

21. Commitments

(a) Capital Commitments

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

(Capital commitments at 31 December 2020: \$108,101)

22. Financial Instruments

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

Financial assets measured at amortised cost

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Cash and Cash Equivalents	341,212	552,747	431,708
Receivables	206,476	173,086	173,086
Investments - Term Deposits	107,548	318,543	212,682
Total Financial assets measured at amortised cost	655,236	1,044,376	817,476

Financial liabilities measured at amortised cost

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
Payables	253,668	238,439	238,439
Finance Leases	48,196	24,082	24,082
Total Financial Liabilities Measured at Amortised Cost	301,864	262,521	262,521

23. Events After Balance Date

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

24. COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 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 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.