

MASSEY HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	43
Principal:	Glen Denham
School Address:	274 Don Buck Road, Massey, Auckland, 6014
School Postal Address:	274 Don Buck Road, Massey, Auckland, 6014
School Phone:	64 09 831 0500
School Email:	office@masseyhigh.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Glen Denham	Principal	Principal	
Aref Osman	Student Rep	Elected September 2020	Mar-22
Catherine Clark	Deputy Chair	Re-elected June 2019	Sep-22
Desiree Tukutama	Parent Rep	Elected June 2019	Sep-22
Ella Shepherd	Parent Rep	Elected June 2019	Sep-22
Jane McDonough	Parent Rep	Co-Opted August 2020	Sep-22
John Garelja	Chairperson	Re-elected June 2019	Sep-22
Karl Goddard	Staff Rep	Re-elected June 2019	Sep-22
Robyn Dangen	Parent Rep	Elected June 2019	Sep-22
Wade Hansen	Parent Rep	Re-elected June 2019	Sep-22

Accountant / Service Provider:

M & M Accounting and Business Consultants Limited

MASSEY HIGH SCHOOL

Annual Report - For the year ended 31 December 2021

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Kiwisport

Massey High 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.

NADE MANSEN

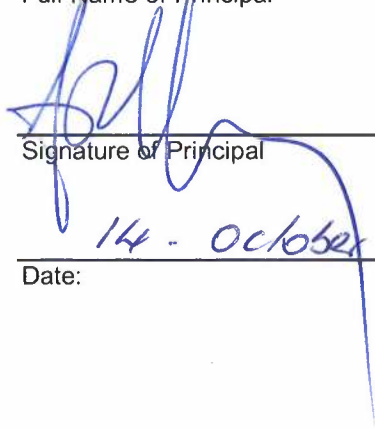
Full Name of Presiding Member


Signature of Presiding Member

14 - October - 2024
Date:

ALASTAIR FAIRLEY

Full Name of Principal


Signature of Principal

14 - October - 2024
Date:

Massey High 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	19,865,470	19,158,403	19,652,222
Locally Raised Funds	3	1,434,103	2,056,920	1,862,631
Interest Income		7,880	10,000	16,967
International Students	4	136,444	147,973	333,114
		21,443,897	21,373,296	21,864,934
Expenses				
Locally Raised Funds	3	428,814	866,000	588,218
International Students	4	93,992	112,950	112,066
Learning Resources	5	15,026,314	14,693,188	13,542,571
Administration	6	894,639	867,975	905,287
Finance		42,931	48,000	57,272
Property	7	3,120,837	4,305,000	4,319,338
Depreciation	12	794,141	820,000	721,561
Loss on Disposal of Property, Plant and Equipment		17,023	-	3,302
		20,418,691	21,713,113	20,249,615
Net Surplus / (Deficit) for the year		1,025,206	(339,817)	1,615,319
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		1,025,206	(339,817)	1,615,319

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

Massey High 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		4,407,859	4,407,858	2,792,540
Total comprehensive revenue and expense for the year		1,025,206	(339,817)	1,615,319
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		63,307	-	-
Equity at 31 December		5,496,372	4,068,041	4,407,859
Retained Earnings		5,496,372	4,068,041	4,407,859
Reserves		-	-	-
Equity at 31 December		5,496,372	4,068,041	4,407,859

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.

Massey High 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	2,584,858	294,908	310,344
Accounts Receivable	9	1,263,219	787,000	894,089
GST Receivable		-	50,000	86,923
Prepayments		59,872	65,000	62,617
Inventories	10	12,675	20,000	17,676
Investments	11	651,251	800,000	642,346
		4,571,875	2,016,908	2,013,995
Current Liabilities				
GST Payable		25,292	-	-
Accounts Payable	13	1,821,727	1,229,590	1,209,087
Borrowings	14	240,410	240,410	240,410
Revenue Received in Advance	15	292,791	143,255	136,179
Provision for Cyclical Maintenance	16	104,248	244,825	244,825
Finance Lease Liability	17	235,008	272,981	311,823
Funds held in Trust	18	261,146	250,000	270,338
Funds held for Capital Works Projects	19	271,473	-	(230,088)
		3,252,095	2,381,061	2,182,574
Working Capital Surplus/(Deficit)		1,319,780	(364,153)	(168,579)
Non-current Assets				
Property, Plant and Equipment	12	4,830,237	5,238,885	5,300,885
		4,830,237	5,238,885	5,300,885
Non-current Liabilities				
Provision for Cyclical Maintenance	16	472,807	555,215	465,215
Finance Lease Liability	17	180,838	251,476	259,232
		653,645	806,691	724,447
Net Assets		5,496,372	4,068,041	4,407,859
Equity		5,496,372	4,068,041	4,407,859

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

Massey High 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		8,443,669	7,994,514	8,325,258
Locally Raised Funds		1,495,094	2,050,658	1,629,930
International Students		85,684	155,458	160,219
Goods and Services Tax (net)		112,215	36,923	(7,658)
Payments to Employees		(3,965,238)	(4,407,824)	(3,886,631)
Payments to Suppliers		(3,915,598)	(5,054,355)	(4,464,241)
Interest Paid		(42,931)	(48,000)	(57,272)
Interest Received		10,572	9,692	19,291
International Students				-
Net cash from/(to) Operating Activities		2,223,467	737,066	1,718,896
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(152,123)	(450,000)	(1,049,037)
Purchase of Investments		(8,905)	(157,654)	(14,272)
Net cash from/(to) Investing Activities		(161,028)	(607,654)	(1,063,309)
Cash flows from Financing Activities				
Furniture and Equipment Grant		63,307	-	-
Finance Lease Payments		(343,602)	(354,598)	(333,635)
Funds Administered on Behalf of Third Parties		492,370	209,750	(366,846)
Net cash from/(to) Financing Activities		212,075	(144,848)	(700,481)
Net increase/(decrease) in cash and cash equivalents		2,274,514	(15,436)	(44,894)
Cash and cash equivalents at the beginning of the year	8	310,344	310,344	355,238
Cash and cash equivalents at the end of the year	8	2,584,858	294,908	310,344

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.

Massey High School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Massey High 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 16.

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–50 years
Furniture and equipment	5–20 years
Information and communication technology	3–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

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.

n) Revenue Received in Advance

Revenue received in advance relates to grants received from MOE, donations from various companies 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) 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 Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

p) 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.

q) 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.

r) 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.

s) 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.

t) Budget Figures

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

u) Service 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	2,380,256	2,448,425	2,411,011
Teachers' Salaries Grants	9,066,214	8,076,930	8,298,921
Use of Land and Buildings Grants	2,227,630	3,200,000	3,211,189
Other MoE Grants	5,927,235	5,122,153	5,402,706
Other Government Grants	264,135	310,895	328,395
	<u>19,865,470</u>	<u>19,158,403</u>	<u>19,652,222</u>

The school has opted in to the donations scheme for this year. Total amount received was \$(227,000).

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	145,778	435,000	528,991
Fees for Extra Curricular Activities	139,854	499,000	240,723
Trading	73,999	109,700	84,036
Other Revenue	1,074,472	1,013,220	1,008,881
	<u>1,434,103</u>	<u>2,056,920</u>	<u>1,862,631</u>
Expenses			
Extra Curricular Activities Costs	302,103	668,000	427,003
Trading	104,745	163,000	139,811
Other Locally Raised Funds Expenditure	21,966	35,000	21,404
	<u>428,814</u>	<u>866,000</u>	<u>588,218</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>1,005,289</u>	<u>1,190,920</u>	<u>1,274,413</u>

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	14	9	25
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
International Student Fees	136,444	147,973	333,114
Expenses			
Employee Benefit - Salaries	77,407	78,000	77,503
Other Expenses	16,585	34,950	34,563
	93,992	112,950	112,066
<i>Surplus/ (Deficit) for the year International Students</i>	42,452	35,023	221,048

5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	2,250,824	2,827,801	2,089,428
Equipment Repairs	15,191	14,000	9,703
Library Resources	3,581	6,600	4,863
Employee Benefits - Salaries	12,670,949	11,766,387	11,362,394
Staff Development	85,769	78,400	76,183
	15,026,314	14,693,188	13,542,571

6. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	16,990	16,265	15,490
Board Fees	2,375	4,200	3,240
Board Expenses	1,804	2,300	2,289
Communication	20,108	35,000	24,849
Consumables	93,561	93,610	94,238
Operating Lease	9,288	50,000	53,696
Legal Fees	28,418	10,000	3,214
Other	87,442	119,400	123,334
Employee Benefits - Salaries	559,656	456,700	507,597
Insurance	44,676	45,500	39,000
Service Providers, Contractors and Consultancy	30,321	35,000	38,340
	894,639	867,975	905,287

7. Property

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	401,216	283,500	280,836
Cyclical Maintenance Provision	(132,985)	90,000	86,649
Grounds	22,842	34,000	31,804
Heat, Light and Water	154,229	228,000	166,282
Repairs and Maintenance	348,917	254,500	329,665
Use of Land and Buildings	2,227,630	3,200,000	3,211,189
Security	21,976	45,000	41,823
Employee Benefits - Salaries	77,012	170,000	171,090
	<u>3,120,837</u>	<u>4,305,000</u>	<u>4,319,338</u>

The use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Cash and Cash Equivalents

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Bank Accounts	2,584,123	294,208	309,644
Cash On Hand	735	700	700
Cash and cash equivalents for Statement of Cash Flows	<u>2,584,858</u>	<u>294,908</u>	<u>310,344</u>

9. Accounts Receivable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Receivables	93,528	16,000	10,147
Receivables from the Ministry of Education	303,998	-	113,042
Interest Receivable	-	3,000	2,692
Teacher Salaries Grant Receivable	865,693	768,000	768,208
	<u>1,263,219</u>	<u>787,000</u>	<u>894,089</u>
Receivables from Exchange Transactions	93,528	19,000	12,839
Receivables from Non-Exchange Transactions	1,169,691	768,000	881,250
	<u>1,263,219</u>	<u>787,000</u>	<u>894,089</u>

10. Inventories

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Stationery	12,675	20,000	17,676
	<u>12,675</u>	<u>20,000</u>	<u>17,676</u>

11. Investments

The School's investment activities are classified as follows:

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	651,251	800,000	642,346
Total Investments	<u>651,251</u>	<u>800,000</u>	<u>642,346</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	3,475,668	61,072	-	-	(103,642)	3,433,098
Furniture and Equipment	934,036	39,673	-	-	(218,268)	755,441
Information and Communication Technology	274,009	39,432	-	-	(114,015)	199,426
Leased Assets	539,249	188,393	(652)	-	(338,062)	388,928
Library Resources	30,773	5,148	(16,370)	-	(2,444)	17,107
Balance at 31 December 2021	<u>5,300,885</u>	<u>340,515</u>	<u>(17,022)</u>	<u>-</u>	<u>(794,141)</u>	<u>4,830,237</u>

The net carrying value of Leased Assets held under a finance lease is **\$35,684 (2020: \$53,745)**

	2021	2021	2021	2020	2020	2020
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Buildings	5,022,533	(1,589,435)	3,433,098	4,961,459	(1,485,791)	3,475,668
Furniture and Equipment	4,151,405	(3,395,964)	755,441	4,111,731	(3,177,695)	934,036
Information and Communication T	3,530,761	(3,331,335)	199,426	3,491,329	(3,217,320)	274,009
Leased Assets	1,294,063	(905,135)	388,928	1,713,956	(1,174,707)	539,249
Library Resources	84,757	(67,650)	17,107	160,703	(129,930)	30,773
Balance at 31 December	14,439,969	(9,609,732)	4,830,237	14,800,097	(9,499,212)	5,300,885

13. Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	264,204	170,000	144,964
Accruals	103,001	70,000	60,658
Banking Staffing Overuse	373,489	-	-
Employee Entitlements - Salaries	1,036,493	949,590	965,023
Employee Entitlements - Leave Accrual	44,540	40,000	38,442
	1,821,727	1,229,590	1,209,087
Payables for Exchange Transactions	1,821,727	1,229,590	1,209,087
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	1,821,727	1,229,590	1,209,087

The carrying value of payables approximates their fair value.

14. Borrowings

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Due in One Year	240,410	240,410	240,410
	240,410	240,410	240,410

The school has borrowings at 31 December 2021 of \$240,410 (31 December 2020 \$240,410). This loan is from the Ministry of Education for financial assistance. The loan is unsecured and interest free.

15. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	63,000	-	-
International Student Fees in Advance	56,755	115,000	107,515
Other revenue in Advance	173,036	28,255	28,664
	<u>292,791</u>	<u>143,255</u>	<u>136,179</u>

16. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	710,040	710,040	623,391
Increase/ (decrease) to the Provision During the Year	(132,985)	90,000	86,649
Provision at the End of the Year	<u>577,055</u>	<u>800,040</u>	<u>710,040</u>
Cyclical Maintenance - Current	104,248	244,825	244,825
Cyclical Maintenance - Term	472,807	555,215	465,215
	<u>577,055</u>	<u>800,040</u>	<u>710,040</u>

17. 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	260,714	286,314	346,454
Later than One Year and no Later than Five Years	192,013	278,143	277,474
Future Finance Charges	36,881	40,000	52,873
	<u>415,846</u>	<u>524,457</u>	<u>571,055</u>
Represented by			
Finance lease liability - Current	<u>235,008</u>	<u>272,981</u>	<u>311,823</u>
Finance lease liability - Term	<u>180,838</u>	<u>251,476</u>	<u>259,232</u>
	<u>415,846</u>	<u>524,457</u>	<u>571,055</u>

18. Funds held in Trust

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	261,146	250,000	270,338
	<u>261,146</u>	<u>250,000</u>	<u>270,338</u>

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.

19. 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/ ADJ \$	Closing Balances \$
Arohanui Project	<i>Completed</i>	(4,581)	75,587	(71,006)	-	-
Remedial works for blocks A, AX, B, C, DR, E, G, GI and H	<i>In Progress</i>	(15,954)	-	-	-	(15,954)
Refurbish Old Art Block	<i>In Progress</i>	41,285	-	(68,819)	-	(27,534)
Roof Replacement - A,E,G,T & H	<i>In Progress</i>	29,523	-	-	-	29,523
Front Boundary Project	<i>In Progress</i>	(1,120)	-	-	-	(1,120)
Nelson Block D	<i>In Progress</i>	(2,880)	-	-	-	(2,880)
D Block Rationalisation	<i>In Progress</i>	(12,093)	250,000	(30,585)	-	207,322
Site Access Project D	<i>In Progress</i>	3,864	-	-	-	3,864
Art/Drama	<i>Completed</i>	-	-	-	(98,297)	(98,297)
Re-siting Music Project	<i>In Progress</i>	(41,847)	82,536	(14,664)	-	26,025
Heat Pump Project	<i>In Progress</i>	(201,394)	205,165	(5,280)	-	(1,509)
Gym Sewerage Pump Project	<i>In Progress</i>	(24,891)	-	-	-	(24,891)
Block 10 Hall Ceiling		-	-	-	-	-
Tennis Court and Canopy Project	<i>In Progress</i>	-	200,000	(4,050)	-	195,950
L&P Internal Works Project	<i>In Progress</i>	-	116,959	(135,985)	-	(19,026)
Totals		<u>(230,088)</u>	<u>930,247</u>	<u>(330,389)</u>	<u>(98,297)</u>	<u>271,473</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	462,684
Funds Due from the Ministry of Education	(191,211)
	<u>271,473</u>

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Arohanui Project	<i>in progress</i>	205,524	220,959	(431,064)	-	(4,581)
Remedial works for blocks A, AX, B, C, DR, E, G, GI and H	<i>in progress</i>	-	-	(15,954)	-	(15,954)
Refurbish Old Art Block	<i>in progress</i>	49,227	-	(7,942)	-	41,285
Roof Replacement - A,E,G,T & H Blocks	<i>in progress</i>	29,523	-	-	-	29,523
Front Boundary Project	<i>in progress</i>	(1,120)	-	-	-	(1,120)
Nelson Block D	<i>in progress</i>	(2,880)	-	-	-	(2,880)
D Block Rationalisation	<i>in progress</i>	(4,413)	-	(7,680)	-	(12,093)
Site Access Project D	<i>in progress</i>	3,864	-	-	-	3,864
Art/Drama	<i>completed</i>	(98,297)	98,297	-	-	-
Re-siting Music Project	<i>in progress</i>	(25,185)	-	(16,662)	-	(41,847)
Heat Pump Project	<i>in progress</i>	5,406	-	(206,800)	-	(201,394)
Gym Sewerage Pump Project	<i>in progress</i>	(24,891)	-	-	-	(24,891)
Totals		136,758	319,256	(686,102)	-	(230,088)

20. 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.

21. Remuneration

Key management personnel compensation

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

	2021	2020
	Actual	Actual
	\$	\$
<i>Board Members</i>	8	
Remuneration	2,375	3,240
	0.31	0.24
<i>Leadership Team</i>		
Remuneration	1,665,870	1,443,231
Full-time equivalent members	12	11.8
Total key management personnel remuneration	1,668,245	1,446,471

There are 9 members of the Board excluding the Principal. The Board had held 7 full meetings of the Board in the year. The Finance and Property meetings are part of the main BoT meeting. The Chair and other Board members are also 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	2020
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	200 - 210	190 - 200
Benefits and Other Emoluments	5 - 10	5 - 10
Termination Benefits	-	-

Other Employees

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

Remuneration	2021	2020
\$000	FTE Number	FTE Number
100-110	17	13
110-120	13	2
120-130	1	4
130-140	2	-
150-160	3	2
	36.00	21.00

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

22. Compensation and Other Benefits Upon Leaving

There is no compensation upon leaving.

23. 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).

There is a pending / outstanding personal grievance relating to a staff member who has left.

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.

24. Commitments

(a) Capital Commitments

As at 31 December the Board hasn't entered into contract agreements for capital works.

(Capital commitments at 31 December 2020: \$0)

(b) Operating Commitments

As at 31 December 2019 the Board entered into the following periodic agreements with New Era Ltd;

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	2,584,858	294,908	310,344
Receivables	1,263,219	787,000	894,089
Investments - Term Deposits	651,251	800,000	642,346
Total Financial assets measured at amortised cost	<u>4,499,328</u>	<u>1,881,908</u>	<u>1,846,779</u>

Financial liabilities measured at amortised cost

Payables	1,821,727	1,229,590	1,209,087
Borrowings - Loans	240,410	240,410	240,410
Finance Leases	415,846	524,457	571,055
Total Financial Liabilities Measured at Amortised Cost	<u>2,477,983</u>	<u>1,994,457</u>	<u>2,020,552</u>

25. Events After Balance Date

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

26. Comparatives

There is no prior period comparatives which have been reclassified to make disclosure consistent with the current year.

27. 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 The Tāhuhu o the Mātauranga | Ministry to 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.

28. Breach of legislation - failure to comply with section 137 of the Education and Training act 2020

The Board of Trustees have failed to comply with section 137 of the Education and Training act by not providing audited financial statements to the Ministry of Education by 31 May 2022.