



# KAIAPOI High School

## ANNUAL REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**School Directory**

<b>Ministry Number:</b>	314
<b>Principal:</b>	Bruce Kearney
<b>School Address:</b>	101 Ohoka Road, Kaiapoi, 7630
<b>School Phone:</b>	03 375 5004
<b>School Email:</b>	<a href="mailto:learn@kaiapoi.school.nz">learn@kaiapoi.school.nz</a>

# KAIAPOI HIGH SCHOOL

Annual Report - For the year ended 31 December 2021

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# Kaiapoi 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.

Belinda Gail Smith

Full Name of Presiding Member

B.G. Smith

Signature of Presiding Member

30 May 2022

Date:

Geraldine Fuersen (Acting)

Full Name of Principal

G. Fuersen

Signature of Principal

30.5.22

Date:

# Kaiapoi High 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>
Phil Kerrigan	Presiding Member	Elected	Sep 2022
Bruce Kearney	Principal ex Officio		
Jasmine Kirk	Parent Representative	Co-opted	Sep 2022
Vicki Young	Staff Representative	Elected	Sep 2022
John Russell	Parent Representative	Co-opted	Sep 2022
Jody Hunter	Parent Representative	Elected	Sep 2023
Christine Wilson-Greatbatch	Parent Representative	Elected	Sep 2022
Kaylene Siegenthaler	Parent Representative	Elected	Nov 2023
Belinda Smith	Parent Representative	Elected	Nov 2023
Amber Forbes-Kean	Student Representative	Elected	Oct 2021

# Kaiapoi High 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	10,483,649	10,229,972	10,796,857
Locally Raised Funds	3	436,632	267,000	359,900
Interest Income		15,067	20,000	30,295
International Students	4	28,266	24,478	140,210
		<u>10,963,614</u>	<u>10,541,450</u>	<u>11,327,262</u>
<b>Expenses</b>				
Locally Raised Funds	3	134,241	115,900	109,289
International Students	4	33,784	56,950	96,931
Learning Resources	5	7,382,195	6,607,696	7,009,309
Administration	6	441,288	482,880	457,076
Finance		9,064	8,000	7,373
Property	7	2,541,131	3,299,150	3,287,930
Depreciation	12	280,778	180,000	281,913
Loss on Disposal of Property, Plant and Equipment		734	-	7,772
		<u>10,823,215</u>	<u>10,750,576</u>	<u>11,257,593</u>
<b>Net Surplus / (Deficit) for the year</b>		140,399	(209,126)	69,669
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>140,399</u>	<u>(209,126)</u>	<u>69,669</u>

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



# Kaiapoi High 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>		2,455,948	2,455,948	2,366,184
Total comprehensive revenue and expense for the year		140,399	(209,126)	69,669
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	20,095
<b>Equity at 31 December</b>		2,596,347	2,246,822	2,455,948
Retained Earnings		2,596,347	2,246,822	2,455,948
<b>Equity at 31 December</b>		2,596,347	2,246,822	2,455,948

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.



# Kaiapoi High 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	283,178	113,403	140,001
Accounts Receivable	9	527,577	457,953	457,953
GST Receivable		26,681	54,955	54,955
Prepayments		21,647	16,642	16,642
Inventories	10	2,849	1,400	1,400
Investments	11	1,416,590	1,402,394	1,401,759
Funds owing for Capital Works Projects	18	9,882	-	-
		<u>2,288,404</u>	<u>2,046,747</u>	<u>2,072,710</u>
<b>Current Liabilities</b>				
Accounts Payable	13	645,267	691,033	691,033
Revenue Received in Advance	14	86,939	150,034	156,766
Provision for Cyclical Maintenance	15	75,430	46,263	46,263
Finance Lease Liability	16	72,539	25,822	25,822
Funds held in Trust	17	10,638	-	7,032
Funds held for Capital Works Projects	18	-	16,483	16,483
Funds Held on Behalf of the Te Kahu Ako Katote (COL)	20	47,844	-	-
Funds held for Teen Parent Unit	21	251,425	195,577	196,650
		<u>1,190,082</u>	<u>1,125,212</u>	<u>1,140,049</u>
<b>Working Capital Surplus/(Deficit)</b>		1,098,322	921,535	932,661
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	1,644,448	1,474,692	1,654,692
		<u>1,644,448</u>	<u>1,474,692</u>	<u>1,654,692</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	88,597	114,951	96,951
Finance Lease Liability	16	57,826	34,454	34,454
		<u>146,423</u>	<u>149,405</u>	<u>131,405</u>
<b>Net Assets</b>		<u>2,596,347</u>	<u>2,246,822</u>	<u>2,455,948</u>
<b>Equity</b>		<u>2,596,347</u>	<u>2,246,822</u>	<u>2,455,948</u>

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

# Kaiapoi High School

## Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		2,379,759	2,194,557	2,487,804
Locally Raised Funds		414,064	267,000	357,184
International Students		(2,715)	17,746	87,581
Goods and Services Tax (net)		28,274	-	(15,573)
Payments to Employees		(1,021,732)	(1,107,558)	(1,011,681)
Payments to Suppliers		(1,493,753)	(1,402,676)	(1,467,355)
Interest Received		15,233	20,000	32,209
Net cash from/(to) Operating Activities		319,130	(10,931)	470,169
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(124,732)	-	(120,700)
Purchase of Investments		(14,831)	(635)	(530,952)
Net cash (to)/from Investing Activities		(139,563)	(635)	(651,652)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	20,095
Finance Lease Payments		(61,475)	(8,000)	(61,595)
Funds Administered on Behalf of Third Parties		25,085	(7,032)	(116,231)
Net cash (to)/from Financing Activities		(36,390)	(15,032)	(157,731)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>143,177</b>	<b>(26,598)</b>	<b>(339,214)</b>
Cash and cash equivalents at the beginning of the year	8	140,001	140,001	479,215
<b>Cash and cash equivalents at the end of the year</b>	8	<b>283,178</b>	<b>113,403</b>	<b>140,001</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.



# Kaiapoi High School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### 1.1. Reporting Entity

Kaiapoi 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.

##### 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 15.

###### **Useful lives of property, plant and equipment**

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.



### ***Critical Judgements in applying accounting policies***

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

#### ***Classification of leases***

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. 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. 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.

### 1.9. 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.

### 1.10. 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	10–75 years
Furniture and equipment	10–15 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

### 1.11. 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.



### **1.12. 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.

### **1.13. 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.

### **1.14. 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.

### **1.15. 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.

### **1.16. Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts 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.

### **1.17. 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 for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

### **1.18. 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.

### **1.19. 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.

#### **1.20. 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.

#### **1.21. Budget Figures**

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

#### **1.22. 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	2,090,726	1,987,522	2,168,773
Teachers' Salaries Grants	6,130,105	5,300,000	5,671,762
Use of Land and Buildings Grants	1,971,128	2,732,250	2,732,250
Other MoE Grants	227,672	148,000	148,624
Other Government Grants	64,018	62,200	75,448
	<u>10,483,649</u>	<u>10,229,972</u>	<u>10,796,857</u>

The School has opted in to the donations scheme for this year. Total amount received was \$141,000 (2020: \$127,500).

## 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	79,810	25,300	55,796
Fees for Extra Curricular Activities	20,379	3,000	4,371
Trading	113,166	110,000	99,074
Fundraising & Community Grants	50,000	-	2,500
Other Revenue	79,729	55,700	112,631
Transport Revenue	93,548	73,000	85,528
	<u>436,632</u>	<u>267,000</u>	<u>359,900</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	21,133	2,500	7,849
Trading	112,796	109,500	101,211
Other Locally Raised Funds Expenditure	312	3,900	229
	<u>134,241</u>	<u>115,900</u>	<u>109,289</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>302,391</u>	<u>151,100</u>	<u>250,611</u>

## 4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	2	2	11
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
International Student Fees	28,266	24,478	140,210
<b>Expenses</b>			
Student Recruitment	5,215	4,550	21,723
Employee Benefit - Salaries	25,241	48,000	59,819
Other Expenses	3,328	4,400	15,389
	<u>33,784</u>	<u>56,950</u>	<u>96,931</u>
<i>(Deficit)/Surplus for the year International Students</i>	<u>(5,518)</u>	<u>(32,472)</u>	<u>43,279</u>

## 5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	482,709	421,916	516,192
Information and Communication Technology	137,816	214,000	157,002
Library Resources	5,210	11,130	7,925
Employee Benefits - Salaries	6,734,375	5,931,650	6,309,087
Staff Development	22,085	29,000	19,103
	<u>7,382,195</u>	<u>6,607,696</u>	<u>7,009,309</u>





## 6. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	10,900	7,300	7,361
Board Fees	4,025	5,700	2,850
Board Expenses	18,964	20,150	12,275
Communication	12,225	17,000	15,063
Consumables	27,566	24,500	22,859
Other	65,710	66,230	59,347
Employee Benefits - Salaries	270,140	309,000	309,628
Insurance	23,576	24,000	19,774
Service Providers, Contractors and Consultancy	8,182	9,000	7,919
	<u>441,288</u>	<u>482,880</u>	<u>457,076</u>

## 7. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	22,179	21,000	22,346
Consultancy and Contract Services	137,259	138,000	136,168
Cyclical Maintenance Provision	75,015	18,000	31,786
Grounds	34,330	45,700	43,180
Heat, Light and Water	137,590	155,000	127,632
Rates	13,947	14,000	12,949
Repairs and Maintenance	22,811	40,200	38,944
Use of Land and Buildings	1,971,128	2,732,250	2,732,250
Security	11,169	14,000	13,106
Employee Benefits - Salaries	115,703	121,000	129,569
	<u>2,541,131</u>	<u>3,299,150</u>	<u>3,287,930</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	283,178	113,403	140,001
Cash and cash equivalents for Statement of Cash Flows	<u>283,178</u>	<u>113,403</u>	<u>140,001</u>

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

Of the \$283,178 Cash and Cash Equivalents & Investments \$1,416,590, \$47,844 is held by the School on behalf of the Te Kahu Ako Katote cluster. See note 20 for details of how the funding received for the cluster has been spent in the year.

Of the \$283,178 Cash and Cash Equivalents & Investments \$1,416,590, \$251,425 is held by the School on behalf of the Teen Parent Unit cluster. See note 21 for details of how the funding received for the cluster has been spent in the year.

## 9. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	5,334	6,212	6,212
Interest Receivable	3,264	3,430	3,430
Teacher Salaries Grant Receivable	518,979	448,311	448,311
	<u>527,577</u>	<u>457,953</u>	<u>457,953</u>
Receivables from Exchange Transactions	8,598	9,642	9,642
Receivables from Non-Exchange Transactions	518,979	448,311	448,311
	<u>527,577</u>	<u>457,953</u>	<u>457,953</u>

## 10. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	2,849	1,400	1,400
	<u>2,849</u>	<u>1,400</u>	<u>1,400</u>



## 11. Investments

The School's investment activities are classified as follows:

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	1,416,590	1,402,394	1,401,759
<b>Total Investments</b>	<b>1,416,590</b>	<b>1,402,394</b>	<b>1,401,759</b>

## 12. Property, Plant and Equipment

	Opening	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	Balance (NBV)					
	\$	\$	\$	\$	\$	\$
2021						
Building Improvements	749,432	8,382	-	-	(19,627)	738,187
Furniture and Equipment	638,626	45,374	-	-	(109,538)	574,462
Information and Communication Technology	147,748	18,377	-	-	(54,651)	111,474
Motor Vehicles	28,139	52,895	-	-	(21,911)	59,123
Leased Assets	61,290	140,917	-	-	(70,795)	131,412
Library Resources	29,457	5,322	(733)	-	(4,256)	29,790
<b>Balance at 31 December 2021</b>	<b>1,654,692</b>	<b>271,267</b>	<b>(733)</b>	<b>-</b>	<b>(280,778)</b>	<b>1,644,448</b>

The net carrying value of equipment held under a finance lease is \$131,412 (2020: \$61,290)

	2021	2021	2021	2020	2020	2020
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Building Improvements	955,053	(216,866)	738,187	946,671	(197,239)	749,432
Furniture and Equipment	1,613,074	(1,038,612)	574,462	1,567,700	(929,074)	638,626
Information and Communication Technology	686,799	(575,325)	111,474	668,422	(520,674)	147,748
Motor Vehicles	215,871	(156,748)	59,123	162,976	(134,837)	28,139
Leased Assets	272,686	(141,274)	131,412	133,974	(72,684)	61,290
Library Resources	133,294	(103,504)	29,790	131,242	(101,785)	29,457
<b>Balance at 31 December</b>	<b>3,876,777</b>	<b>(2,232,329)</b>	<b>1,644,448</b>	<b>3,610,985</b>	<b>(1,956,293)</b>	<b>1,654,692</b>

## 13. Accounts Payable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Creditors	75,173	170,100	170,100
Accruals	11,858	7,361	7,361
Banking Staffing Overuse	-	2,092	2,092
Employee Entitlements - Salaries	523,381	448,311	448,311
Employee Entitlements - Leave Accrual	34,855	63,169	63,169
	<b>645,267</b>	<b>691,033</b>	<b>691,033</b>
Payables for Exchange Transactions	645,267	691,033	691,033
	<b>645,267</b>	<b>691,033</b>	<b>691,033</b>

The carrying value of payables approximates their fair value.

## 14. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance - Ministry of Education	-	15,400	15,400
International Student Fees in Advance	29,238	53,487	60,219
Other Revenue in Advance	57,701	81,147	81,147
	<b>86,939</b>	<b>150,034</b>	<b>156,766</b>





### 15. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	143,214	143,214	119,541
Increase/ (decrease) to the Provision During the Year	75,015	18,000	31,786
Use of the Provision During the Year	(54,202)	-	(8,113)
Provision at the End of the Year	164,027	161,214	143,214
Cyclical Maintenance - Current	75,430	46,263	46,263
Cyclical Maintenance - Term	88,597	114,951	96,951
	164,027	161,214	143,214

### 16. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	77,765	29,603	29,603
Later than One Year and no Later than Five Years	60,013	37,101	37,101
Future Finance Charges	(7,413)	(6,428)	(6,428)
	130,365	60,276	60,276
<b>Represented by:</b>			
Finance lease liability - Current	72,539	25,822	25,822
Finance lease liability - Term	57,826	34,454	34,454
	130,365	60,276	60,276

### 17. Funds Held in Trust

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	10,638	-	7,032
	10,638	-	7,032

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.

### 18. 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 \$
SIP Central Courtyard Landscaping	16,483	70,597	(96,962)	-	(9,882)
Totals	16,483	70,597	(96,962)	-	(9,882)

#### Represented by:

Funds Due from the Ministry of Education	(9,882)
	(9,882)

2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Auditorium Upgrade	-	124,098	(129,170)	5,072	-
School Investment Package	-	361,812	(345,329)	-	16,483
Totals	-	485,910	(474,499)	5,072	16,483



## 19. Funds Held on Behalf of the Kaiapoi Transport Network School Boards Cluster

Kaipoi High School is the lead school and holds funds on behalf of the KTNSB cluster, a group of schools funded by the Ministry of Education to provide transport for eligible students to their schools.

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Funds Received from MoE	411,959	405,000	399,245
Funds Spent on Behalf of the Cluster	(318,411)	(332,000)	(313,717)
Distribution	(93,548)	(73,000)	(85,528)
Funds Held at Year End	-	-	-

## 20. Funds Held on Behalf of the Te Kahu Ako Katote (COL) Cluster

Kaipoi High School was the lead school and holds funds on behalf of the Te Kahu Ako Katote (COL) cluster, a group of schools funded by the Ministry of Education to share professional support.

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Funds from previous fundholder	55,047	-	-
Funds Received from other sources	6	-	-
Funds Received from MoE	9,000	-	-
Funds Spent on Behalf of the Cluster	(16,209)	-	-
Funds Held at Year End	47,844	-	-

## 21. Funds Held for Teen Parent Unit

The school's Teen Parent Unit is a separate business unit of the school in accordance with the agreement with the Ministry of Education. The revenue and expenditure is included in the school's Statement of Revenue and Expense. During the year the funds were spent on curriculum resources, employee benefits, transport, administration and property management expenses.

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Funds Held at Beginning of the Year	196,650	196,650	148,020
<i>Revenue</i>			
Funds Received from the Ministry of Education	158,692	142,331	143,448
Other Revenue	83,763	102,800	84,239
	242,455	245,131	227,687
Total funds available	439,105	441,781	375,707
<i>Expenses</i>			
Employee Benefit - Salaries	102,163	116,000	102,889
Administration	30,173	33,100	28,151
Curriculum Resources	22,305	41,611	15,226
Asset Purchases	-	5,000	3,821
Property Management	13,853	18,900	15,233
Other Expenses	19,186	31,593	13,737
	187,680	246,204	179,057
Funds Held at Year End	251,425	195,577	196,650

## 22. 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.



### 23. Remuneration

#### Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	4,025	2,850
<i>Leadership Team</i>		
Remuneration	804,268	776,688
Full-time equivalent members	6.25	6.00
Total key management personnel remuneration	808,293	779,538

There are 8 members of the Board excluding the Principal. The Board had held 11 full meetings of the Board in the year. The Board also has Finance and Property 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	190 - 200	200 - 210
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	11.00	11.00
110 - 120	4.00	3.00
120 - 130	1.00	1.00
130 - 140	1.00	-
	17.00	15.00

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

### 24. 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	-	-
Number of People	-	-

### 25. 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.



## 26. Commitments

### (a) Capital Commitments

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

(a) Two contracts totalling \$440,000 to have Courtyard Landscaping and Offices upgraded as agent for the Ministry of Education. These projects are fully funded by the Ministry as part of the School Investment Package (\$400,000) and Learning Support Coordinator programme (\$40,000). As at balance date, \$432,409 has been received and \$442,291 has been spent.

(Capital commitments in relation to Ministry projects at 31 December 2020: \$16,483)

### (b) Operating Commitments

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

(Operating commitments at 31 December 2020: nil)

## 27. 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	283,178	113,403	140,001
Receivables	527,577	457,953	457,953
Investments - Term Deposits	1,416,590	1,402,394	1,401,759
Total Financial assets measured at amortised cost	<u>2,227,345</u>	<u>1,973,750</u>	<u>1,999,713</u>

### Financial liabilities measured at amortised cost

Payables	645,267	691,033	691,033
Finance Leases	130,365	60,276	60,276
Total Financial liabilities measured at amortised Cost	<u>775,632</u>	<u>751,309</u>	<u>751,309</u>

## 28. Events After Balance Date

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

## 29. Comparatives

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

## 30. 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 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 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.

