



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	293
Principal:	Daniel Wilson
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NAYLAND COLLEGE

Annual Report - For the year ended 31 December 2021

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Nayland College

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.

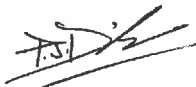
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the School's financial reporting.

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.

Pat Davidsen

Full Name of Presiding Member



Signature of Presiding Member

28/06/2022

Date:

Daniel Wilson

Full Name of Principal



Signature of Principal

28/06/2022

Date:

Nayland College

Members of the Board

For the year ended 31 December 2021

Name	Position	How Position Gained	Term Expired/ Expires
Pat Davidsen	Presiding Member	Elected	Sep 2022
Daniel Wilson	Principal ex Officio		
Rachel Sanson	Parent Representative	Elected	Sep 2022
Isaac Carnegie	Parent Representative	Elected	Dec 2023
Lesa Kalapu	Parent Representative	Elected	Sep 2022
Astrid Sayer	Student Representative	Elected	Sep 2022
Jacqueline De Jong	Staff Representative	Elected	Sep 2022
Lee Corlett	Parent Representative	Elected	Dec 2023
In Attendance: Kathy Sherwood	Secretary		

Nayland College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	16,663,741	14,565,529	14,504,414
Locally Raised Funds	3	450,055	222,570	317,341
Interest Income		20,593	25,120	50,062
Gain on Sale of Property, Plant and Equipment		1,217	-	-
International Students	4	132,483	-	1,255,953
		<u>17,268,089</u>	<u>14,813,219</u>	<u>16,127,770</u>
Expenses				
Locally Raised Funds	3	427,377	158,449	193,072
International Students	4	146,965	54,009	759,302
Learning Resources	5	13,300,973	11,742,042	11,256,367
Administration	6	601,436	599,688	680,373
Finance		15,547	16,000	17,430
Property	7	2,093,445	2,098,248	2,445,842
Depreciation	12	390,503	390,000	352,446
Loss on Disposal of Property, Plant and Equipment		2,805	-	7,479
Amortisation of Intangible Assets		-	-	1,109
		<u>16,979,051</u>	<u>15,058,436</u>	<u>15,713,420</u>
Operating Surplus (Deficit) Comprises of:				
Operating Surplus (Deficit) - Nayland College		-	-	414,350
Net Surplus / (Deficit) for the year		<u>289,038</u>	<u>(245,217)</u>	<u>414,350</u>
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>289,038</u></u>	<u><u>(245,217)</u></u>	<u><u>414,350</u></u>

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

Nayland College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Nayland College Equity		2,094,732	2,094,732	1,610,643
TOTSA Equity		134,608	134,608	134,608
Equity at 1 January		<u>2,229,340</u>	<u>2,229,340</u>	<u>1,745,251</u>
Comprehensive Income - Nayland College		289,038	(245,217)	414,350
Total comprehensive revenue and expense for the year		<u>289,038</u>	<u>(245,217)</u>	<u>414,350</u>
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		58,500	58,500	69,739
Recognition of TOTSA Retained Earnings as Liability Owning		(134,608)	-	-
Equity at 31 December		<u>2,442,270</u>	<u>2,042,623</u>	<u>2,229,340</u>
Nayland College Retained Earnings		2,442,270	1,908,015	2,094,732
TOTSA Retained Earnings		-	134,608	134,608
Equity at 31 December		<u>2,442,270</u>	<u>2,042,623</u>	<u>2,229,340</u>

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.

Nayland College
Statement of Financial Position
As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	8	716,114	283,223	393,656
Accounts Receivable	9	810,532	631,834	631,834
GST Receivable		51,173	46,213	46,213
Prepayments		42,435	18,246	18,246
Inventories	10	4,714	4,416	4,416
Investments	11	2,008,000	2,008,000	2,008,000
		<u>3,632,968</u>	<u>2,991,932</u>	<u>3,102,365</u>
Current Liabilities				
Accounts Payable	14	1,332,859	1,508,665	1,508,665
Revenue Received in Advance	15	275,561	337,613	337,613
Provision for Cyclical Maintenance	16	16,292	18,627	15,842
Painting Contract Liability	17	42,866	42,866	42,866
Finance Lease Liability	18	63,551	63,591	63,591
Funds held in Trust	19	87,012	201,709	201,709
Funds held for Capital Works Projects	20	811,200	156,620	156,620
Funds Held on Behalf of the Teacher-Led Innovation	21	7,814	23,629	23,629
Funds Held on Behalf of the COL Cluster	22	9,424	-	-
		<u>2,646,579</u>	<u>2,353,320</u>	<u>2,350,535</u>
Working Capital Surplus/(Deficit)		986,389	638,612	751,830
Non-current Assets				
Property, Plant and Equipment	12	1,822,424	1,820,540	1,880,540
		<u>1,822,424</u>	<u>1,820,540</u>	<u>1,880,540</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	287,752	285,418	242,530
Painting Contract Liability	17	15,912	15,912	45,301
Finance Lease Liability	18	54,879	107,199	107,199
Funds held in Trust	19	8,000	8,000	8,000
		<u>366,543</u>	<u>416,529</u>	<u>403,030</u>
Net Assets		<u>2,442,270</u>	<u>2,042,623</u>	<u>2,229,340</u>
Equity		<u>2,442,270</u>	<u>2,042,623</u>	<u>2,229,340</u>

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

Nayland College
Statement of Cash Flows
For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		5,686,529	4,748,956	5,543,806
Locally Raised Funds		455,535	222,570	389,840
International Students		(25,873)	-	759,503
Goods and Services Tax (net)		(4,960)	-	(84,006)
Payments to Employees		(2,190,216)	(1,722,192)	(3,689,432)
Payments to Suppliers		(3,849,896)	(3,067,998)	(1,829,919)
Interest Received		19,953	25,120	50,261
Net cash from/(to) Operating Activities		91,072	206,456	1,140,053
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		1,217	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(273,056)	(330,000)	(264,692)
Purchase of Investments		-	-	(500,000)
Net cash (to)/from Investing Activities		(271,839)	(330,000)	(764,692)
Cash flows from Financing Activities				
Furniture and Equipment Grant		58,500	58,500	69,739
Finance Lease Payments		(54,143)	(16,000)	(52,539)
Painting Contract Payments		(29,389)	(29,389)	(31,309)
Funds Administered on Behalf of Third Parties		528,257	-	(652,834)
Net cash from/(to) Financing Activities		503,225	13,111	(666,943)
Net increase/(decrease) in cash and cash equivalents		322,458	(110,433)	(291,582)
Cash and cash equivalents at the beginning of the year	8	393,656	393,656	685,238
Cash and cash equivalents at the end of the year	8	716,114	283,223	393,656

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.

Nayland College

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

1.1. Reporting Entity

Nayland College (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 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.

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. 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.

1.5. 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.

1.6. 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.

1.7. 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.

1.8. Investments

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

1.9. Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	20 years
Furniture and equipment	8-20 years
Information and communication technology	5 years
Motor vehicles	12.5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	10% Diminishing value

1.10. 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.

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 is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

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	3,452,621	3,225,604	2,964,606
Teachers' Salaries Grants	8,955,229	7,908,075	7,283,425
Use of Land and Buildings Grants	1,443,117	1,400,000	1,770,755
Other MoE Grants	2,706,229	1,960,850	2,422,286
Other Government Grants	106,545	71,000	63,342
	<u>16,663,741</u>	<u>14,565,529</u>	<u>14,504,414</u>

The School has opted in to the donations scheme for this year. Total amount received was \$220,350 (2020: \$159,450).

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	95,899	55,750	97,900
Curriculum related Activities - Purchase of goods and services	44,596	13,920	4,790
Fees for Extra Curricular Activities	168,867	52,900	97,784
Trading	42,965	33,500	37,731
Fundraising & Community Grants	10,811	-	-
Other Revenue	86,917	66,500	79,136
	<u>450,055</u>	<u>222,570</u>	<u>317,341</u>
Expenses			
Extra Curricular Activities Costs	412,497	141,799	171,906
Trading	14,880	16,650	21,166
	<u>427,377</u>	<u>158,449</u>	<u>193,072</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>22,678</u>	<u>64,121</u>	<u>124,269</u>

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	6	1	43
Revenue			
International Student Fees	132,483	-	1,255,953
Expenses			
Employee Benefit - Salaries	51,949	32,809	98,777
Other Expenses	95,016	21,200	660,525
	<u>146,965</u>	<u>54,009</u>	<u>759,302</u>
<i>(Deficit)/Surplus for the year International Students</i>	<u>(14,482)</u>	<u>(54,009)</u>	<u>496,651</u>

5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	312,005	340,436	162,919
Equipment Repairs	32,241	43,000	34,479
Information and Communication Technology	159,273	154,000	148,459
Library Resources	4,593	4,100	3,323
Employee Benefits - Salaries	10,875,883	9,665,057	9,182,419
Resources /Attached Teacher Costs	1,864,139	1,468,950	1,692,778
Staff Development	52,839	66,499	31,990
	<u>13,300,973</u>	<u>11,742,042</u>	<u>11,256,367</u>

6. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	9,250	8,500	8,901
Board Fees	4,980	5,000	6,040
Board Expenses	13,000	15,200	11,370
Communication	19,291	23,200	20,018
Consumables	63,971	85,200	78,212
Legal Fees	-	250	-
Other	117,442	111,939	152,096
Employee Benefits - Salaries	344,496	325,899	378,161
Insurance	23,286	19,000	19,965
Service Providers, Contractors and Consultancy	5,720	5,500	5,610
	<u>601,436</u>	<u>599,688</u>	<u>680,373</u>

7. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	27,644	25,500	29,496
Consultancy and Contract Services	170,956	180,000	161,614
Cyclical Maintenance Provision	63,649	63,650	79,529
Grounds	28,799	33,100	42,500
Heat, Light and Water	119,097	146,500	109,055
Rates	5,871	6,000	7,397
Repairs and Maintenance	118,477	120,498	130,031
Use of Land and Buildings	1,443,117	1,400,000	1,770,755
Security	6,034	8,000	5,323
Employee Benefits - Salaries	109,801	115,000	110,142
	<u>2,093,445</u>	<u>2,098,248</u>	<u>2,445,842</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, the use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	716,114	283,223	393,656
Cash and cash equivalents for Statement of Cash Flows	<u>716,114</u>	<u>283,223</u>	<u>393,656</u>

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

Of the \$2,724,114 Cash and Cash Equivalents and Investments, \$808,853 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2022 on Crown owned school buildings.

Of the \$2,724,114 Cash and Cash Equivalents and Investments, \$235,011 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent. If these requirements are not met, the funds will need to be returned.

Of the \$2,724,114 Cash and Cash Equivalents and Investments, \$7,814 is held by the School on behalf of the Teacher-Led Innovation Fund cluster. See note 21 for details of how the funding received for the cluster has been spent in the year.

Of the \$2,724,114 Cash and Cash Equivalents and Investments, \$9,424 is held by the School on behalf of the COL cluster. See note 22 for details of how the funding received for the cluster has been spent in the year.

9. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	10,661	3,628	3,628
Receivables from the Ministry of Education	6,021	5,345	5,345
Interest Receivable	2,144	1,504	1,504
Teacher Salaries Grant Receivable	791,706	621,357	621,357
	<u>810,532</u>	<u>631,834</u>	<u>631,834</u>
Receivables from Exchange Transactions	12,805	5,132	5,132
Receivables from Non-Exchange Transactions	797,727	626,702	626,702
	<u>810,532</u>	<u>631,834</u>	<u>631,834</u>

10. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	4,714	4,416	4,416
	<u>4,714</u>	<u>4,416</u>	<u>4,416</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	2,008,000	2,008,000	2,008,000
Total Investments	<u>2,008,000</u>	<u>2,008,000</u>	<u>2,008,000</u>

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements	674,304	11,718	-	-	(45,265)	640,757
Furniture and Equipment	461,431	232,396	(3,566)	-	(81,334)	608,927
Information and Communication Technology	387,415	74,218	-	-	(143,481)	318,152
Motor Vehicles	161,039	-	-	-	(19,110)	141,929
Leased Assets	155,763	13,954	-	-	(67,420)	102,297
Library Resources	35,238	9,017	-	-	(33,893)	10,362
Work in Progress	5,350	(5,350)	-	-	-	-
Balance at 31 December 2021	<u>1,880,540</u>	<u>335,953</u>	<u>(3,566)</u>	<u>-</u>	<u>(390,503)</u>	<u>1,822,424</u>

The net carrying value of equipment held under a finance lease is \$102,297 (2020: \$155,763)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Building Improvements	905,306	(264,549)	640,757	893,588	(219,284)	674,304
Furniture and Equipment	1,633,819	(1,024,892)	608,927	1,543,705	(1,082,274)	461,431
Information and Communication Technology	871,036	(552,884)	318,152	879,657	(492,242)	387,415
Motor Vehicles	241,677	(99,748)	141,929	241,677	(80,638)	161,039
Leased Assets	332,365	(230,068)	102,297	318,412	(162,649)	155,763
Library Resources	347,197	(336,835)	10,362	338,180	(302,942)	35,238
Work in Progress	-	-	-	5,350	-	5,350
Balance at 31 December	<u>4,331,400</u>	<u>(2,508,976)</u>	<u>1,822,424</u>	<u>4,220,569</u>	<u>(2,340,029)</u>	<u>1,880,540</u>

13. Intangible Assets

The School's Intangible Assets are made up of acquired computer software.

	Acquired software	Total \$
Cost		
Balance at 1 January 2020	53,291	53,291
Balance at 31 December 2020/1 January 2021	53,291	53,291
Balance at 31 December 2021	<u>53,291</u>	<u>53,291</u>
Accumulated Amortisation and impairment losses		
Balance at 1 January 2020	53,291	53,291
Balance at 31 December 2020/1 January 2021	53,291	53,291
Carrying amounts		
At 1 January 2020	-	-
At 31 December 2020/ 1 January 2021	-	-
At 31 December 2021	<u>-</u>	<u>-</u>

14. Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	137,675	65,106	65,106
Accruals	202,202	227,443	227,443
Banking Staffing Overuse	102,173	508,498	508,498
Employee Entitlements - Salaries	865,346	672,719	672,719
Employee Entitlements - Leave Accrual	25,463	34,899	34,899
	<u>1,332,859</u>	<u>1,508,665</u>	<u>1,508,665</u>
Payables for Exchange Transactions	1,332,859	1,508,665	1,508,665
	<u>1,332,859</u>	<u>1,508,665</u>	<u>1,508,665</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	235,011	145,985	145,985
International Student Fees in Advance	24,647	183,003	183,003
Other Revenue in Advance	15,903	8,625	8,625
	<u>275,561</u>	<u>337,613</u>	<u>337,613</u>

16. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	258,372	258,372	192,400
Increase/ (decrease) to the Provision During the Year	63,649	63,650	79,529
Use of the Provision During the Year	(17,977)	(17,977)	(13,557)
Provision at the End of the Year	<u>304,044</u>	<u>304,045</u>	<u>258,372</u>
Cyclical Maintenance - Current	16,292	18,627	15,842
Cyclical Maintenance - Term	287,752	285,418	242,530
	<u>304,044</u>	<u>304,045</u>	<u>258,372</u>

17. Painting Contract Liability

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Due within one year	42,866	42,866	42,866
Due after one year	15,912	15,912	45,301
	<u>58,778</u>	<u>58,778</u>	<u>88,167</u>

In 2016 the Board signed an agreement with Programmed Property Services Ltd (the contractor) for an agreed programme of work covering an eight year period. The programme provides for an exterior repaint of the Ministry owned buildings in 2024, with regular maintenance in subsequent years. The agreement has a total commitment of \$342,948 with an annual commitment of \$42,866. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

18. 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	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	72,844	78,339	78,339
Later than One Year and no Later than Five Years	58,228	118,442	118,442
Future Finance Charges	(12,642)	(25,991)	(25,991)
	<u>118,430</u>	<u>170,790</u>	<u>170,790</u>
Represented by:			
Finance lease liability - Current	63,551	63,591	63,591
Finance lease liability - Term	54,879	107,199	107,199
	<u>118,430</u>	<u>170,790</u>	<u>170,790</u>

19. Funds Held in Trust

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	87,012	201,709	201,709
Funds Held in Trust on Behalf of Third Parties - Non-current	8,000	8,000	8,000
	<u>95,012</u>	<u>209,709</u>	<u>209,709</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.

20. 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 \$
Fire & Security Upgrade	156,620	-	(147,350)	-	9,270
Block 3(D Block) Renovation	-	500,000	(193,544)	-	306,456
Heat Pump Installation	-	51,411	(50,811)	-	600
Special Needs Project	-	160,591	(94,336)	-	66,255
Block 1 & PAC	-	500,000	(265,655)	-	234,345
Roofing School wide	-	250,000	(123,069)	-	126,931
Gym WeatherTightness	-	57,354	(16,830)	-	40,524
Gender Neutral Bathroom	-	68,235	(68,235)	-	-
Water Pumps & Heating Upgrade	-	-	(2,888)	-	(2,888)
Library Weathertightness	-	31,865	(2,158)	-	29,707
Totals	<u>156,620</u>	<u>1,619,456</u>	<u>(964,876)</u>	<u>-</u>	<u>811,200</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	814,088
Funds Due from the Ministry of Education	(2,888)
	<u>811,200</u>

2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Rationalisation of RTL/Blk3	53,122	90,328	(143,341)	(109)	-
Special Needs	49,230	-	(49,230)	-	-
Fire & Security Upgrade	248,261	183,343	(274,984)	-	156,620
Heat Pump Installation	19,373	2,153	(21,817)	291	-
Totals	<u>369,986</u>	<u>275,824</u>	<u>(489,372)</u>	<u>182</u>	<u>156,620</u>

21. Funds Held on Behalf of the Teacher-Led Innovation Cluster

Nayland College is the lead school and holds funds on behalf of the Teacher-Led Innovation Cluster.

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held at Beginning of the Year	23,629	23,629	(6,137)
Funds Received from MoE	-	-	46,479
Funds Spent on Behalf of the Cluster	(15,815)	-	(16,713)
Funds Held at Year End	<u>7,814</u>	<u>23,629</u>	<u>23,629</u>

22. Funds Held on Behalf of the COL Cluster

Nayland College was the lead school and holds funds on behalf of the COL cluster, a group of schools funded by the Ministry of Education to share professional support.

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Received from Cluster Members	9,424	-	-
Funds Held at Year End	<u>9,424</u>	<u>-</u>	<u>-</u>

23. 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.

24. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	4,980	6,040
<i>Leadership Team</i>		
Remuneration	724,391	567,403
Full-time equivalent members	5.00	4.00
Total key management personnel remuneration	729,371	573,443

There are 6 members of the Board excluding the Principal. The Board had held 10 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	200 - 210	180 - 190
Benefits and Other Emoluments	6 - 7	5 - 6
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	12.00
110 - 120	8.00	2.00
120 - 130	4.00	1.00
130 - 140	1.00	-
	24.00	15.00

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

25. 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	-	-

26. 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.

27. Commitments

(a) Capital Commitments

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

(a) The school has contracted for Fire & Security upgrade. The total cost of this project is estimated to be \$481,492, which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry. An amount of \$433,342 has been received from the Ministry for this project, of which \$424,072 has been spent on the project to balance date. This project has been approved by the Ministry.

(b) The school has contracted for Block D Renovations. The total cost of this project is estimated to be \$4,265,272, which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry. An amount of \$500,000 has been received from the Ministry for this project, of which \$193,544 has been spent on the project to balance date. This project has been approved by the Ministry.

(c) The school has contracted for Heat Pump Installations. The total cost of this project is estimated to be \$55,000, which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry. An amount of \$51,411 has been received from the Ministry for this project, of which \$50,811 has been spent on the project to balance date. This project has been approved by the Ministry.

(d) The school has contracted for Special Needs Project. The total cost of this project is estimated to be \$178,434, which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry. An amount of \$160,591 has been received from the Ministry for this project, of which \$94,336 has been spent on the project to balance date. This project has been approved by the Ministry.

(e) The school has contracted for Block 1 and PAC Renovations. The total cost of this project is estimated to be \$1,016,300, which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry. An amount of \$500,000 has been received from the Ministry for this project, of which \$265,655 has been spent on the project to balance date. This project has been approved by the Ministry.

(f) The school has contracted for Roofing Schoolwide Project. The total cost of this project is estimated to be \$628,991, which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry. An amount of \$250,000 has been received from the Ministry for this project, of which \$123,069 has been spent on the project to balance date. This project has been approved by the Ministry.

(g) The school has contracted for Gym Weathertightness project. The total cost of this project is estimated to be \$573,540, which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry. An amount of \$57,354 has been received from the Ministry for this project, of which \$16,830 has been spent on the project to balance date. This project has been approved by the Ministry.

(h) The school has contracted for Water Pumps and Heating Upgrade Project. As the project is in the design phase only final cost of this project has yet to be confirmed. To date \$2,888 has been spent on the project. This project has been approved by the Ministry.

(i) The school has contracted for Library Weathertightness project. The total cost of this project is estimated to be \$318,649, which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry. An amount of \$31,865 has been received from the Ministry for this project, of which \$2,158 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments in relation to Ministry projects at 31 December 2020: \$156,620)

(b) Operating Commitments

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

(Operating commitments at 31 December 2020: nil)

28. 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	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	716,114	283,223	393,656
Receivables	810,532	631,834	631,834
Investments - Term Deposits	2,008,000	2,008,000	2,008,000
Total Financial assets measured at amortised cost	<u>3,534,646</u>	<u>2,923,057</u>	<u>3,033,490</u>

Financial liabilities measured at amortised cost

Payables	1,332,859	1,508,665	1,508,665
Finance Leases	118,430	170,790	170,790
Painting Contract Liability	58,778	58,778	88,167
Total Financial liabilities measured at amortised Cost	<u>1,510,067</u>	<u>1,738,233</u>	<u>1,767,622</u>

29. Events After Balance Date

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

30. Comparatives

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