



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	293
Principal:	Daniel Wilson
School Address:	166 Nayland Road, Nelson, 7011
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NAYLAND COLLEGE

Annual Report - For the year ended 31 December 2022

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Nayland College

Statement of Responsibility

For the year ended 31 December 2022

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 2022 fairly reflects the financial position and operations of the School.

The School's 2022 financial statements are authorised for issue by the Board.



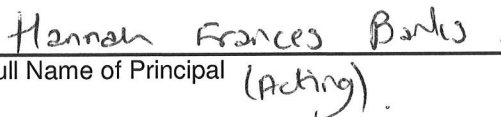
Full Name of Presiding Member



Signature of Presiding Member



Date:

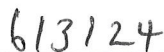


Full Name of Principal

(Acting)



Signature of Principal



Date:

Nayland College

Members of the Board

For the year ended 31 December 2022

Name	Position	How Position Gained	Term Expired/ Expires
Lee Corlett	Parent Representative	Elected	Sep 2022
	Presiding Member	Elected	Dec 2023
Daniel Wilson	Principal	ex Officio	
Isaac Carnegie	Parent Representative	Elected	Dec 2023
Glen Heke	Parent Representative	Elected	Sep 2026
Diane Strong	Parent Representative	Elected	Sep 2026
Rachel Robinson	Parent Representative	Co-opted	Sep 2026
Ross Gerritson	Staff Representative	Elected	Sep 2023
Zachary Leighton	Student Representative	Elected	Sep 2023
Pat Davidsen	Presiding Member	Elected	Sep 2022
Rachel Sanson	Parent Representative	Elected	Sep 2022
Lesa Kalapu	Parent Representative	Elected	Sep 2022
Astrid Sayer	Student Representative	Elected	Sep 2022
Jacqueline De Jong	Staff Representative	Elected	Sep 2022
In Attendance:			
Kathy Sherwood	Secretary		

Nayland College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

		2022	2022	2021
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	17,926,975	16,295,783	16,663,741
Locally Raised Funds	3	834,692	288,680	582,538
Interest Income		43,267	20,000	20,593
Gain on Sale of Property, Plant and Equipment		-	-	1,217
		<u>18,804,934</u>	<u>16,604,463</u>	<u>17,268,089</u>
Expenses				
Locally Raised Funds	3	588,456	258,639	574,342
Learning Resources	4	14,558,411	13,729,608	13,691,476
Administration	5	641,698	638,972	601,436
Finance		10,791	17,000	15,547
Property	6	2,769,720	2,221,122	2,093,445
Loss on Disposal of Property, Plant and Equipment		-	-	2,805
		<u>18,569,076</u>	<u>16,865,341</u>	<u>16,979,051</u>
Net Surplus / (Deficit) for the year		235,858	(260,878)	289,038
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>235,858</u>	<u>(260,878)</u>	<u>289,038</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 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Nayland College Equity		2,442,270	2,442,270	2,094,732
TOTSA Equity		-	-	134,608
Equity at 1 January		2,442,270	2,442,270	2,229,340
Total comprehensive revenue and expense for the year		235,858	(260,878)	289,038
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	58,500
Recognition of TOTSA Retained Earnings as Liability Owing		-	-	(134,608)
Equity at 31 December		2,678,128	2,181,392	2,442,270
Accumulated comprehensive revenue and expense		2,678,128	2,181,392	2,442,270
Equity at 31 December		2,678,128	2,181,392	2,442,270

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 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	7	975,067	562,372	716,114
Accounts Receivable	8	926,585	810,532	810,532
GST Receivable		98,489	51,173	51,173
Prepayments		74,281	42,435	42,435
Inventories	9	-	4,714	4,714
Investments	10	3,008,000	2,008,000	2,008,000
Funds Receivable for Capital Works Projects	18	2,888	2,888	2,888
		5,085,310	3,482,114	3,635,856
Current Liabilities				
Accounts Payable	12	1,688,209	1,332,859	1,332,859
Revenue Received in Advance	13	1,265,917	275,561	275,561
Provision for Cyclical Maintenance	14	13,396	13,477	16,292
Painting Contract Liability	15	42,866	29,389	42,866
Finance Lease Liability	16	56,531	63,551	63,551
Funds held in Trust	17	523,407	87,012	87,012
Funds held for Capital Works Projects	18	256,398	814,088	814,088
Funds Held on Behalf of the Teacher-Led Innovation Cluster	19	-	7,814	7,814
Funds Held on Behalf of the COL Cluster	20	29,877	9,424	9,424
		3,876,601	2,633,175	2,649,467
Working Capital Surplus/(Deficit)		1,208,709	848,939	986,389
Non-current Assets				
Property, Plant and Equipment	11	1,880,022	1,737,422	1,822,424
		1,880,022	1,737,422	1,822,424
Non-current Liabilities				
Provision for Cyclical Maintenance	14	383,322	342,090	287,752
Painting Contract Liability	15	-	-	15,912
Finance Lease Liability	16	19,281	54,879	54,879
Funds held in Trust	17	8,000	8,000	8,000
		410,603	404,969	366,543
Net Assets		2,678,128	2,181,392	2,442,270
Equity		2,678,128	2,181,392	2,442,270

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 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		7,012,237	5,750,844	5,686,529
Locally Raised Funds		612,435	288,680	455,535
International Students		725,804	-	(25,873)
Goods and Services Tax (net)		(47,316)	-	(4,960)
Payments to Employees		(2,620,488)	(2,344,857)	(2,190,216)
Payments to Suppliers		(4,118,292)	(3,520,543)	(3,849,896)
Interest Received		39,797	20,000	19,953
Net cash from/(to) Operating Activities		1,604,177	194,124	91,072
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	1,217
Purchase of Property Plant & Equipment (and Intangibles)		(360,071)	(305,000)	(273,056)
Purchase of Investments		(1,000,000)	-	-
Net cash (to)/from Investing Activities		(1,360,071)	(305,000)	(271,839)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	58,500
Finance Lease Payments		(52,445)	-	(54,143)
Painting Contract Payments		(34,389)	(42,866)	(29,389)
Funds Administered on Behalf of Third Parties		101,681	-	528,257
Net cash from/(to) Financing Activities		14,847	(42,866)	503,225
Net increase/(decrease) in cash and cash equivalents		258,953	(153,742)	322,458
Cash and cash equivalents at the beginning of the year	7	716,114	716,114	393,656
Cash and cash equivalents at the end of the year	7	975,067	562,372	716,114

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 2022

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 statements have been prepared for the period 1 January 2022 to 31 December 2022 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 whole 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 best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. 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. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 25b.

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 to which they relate. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Other Ministry Grants for directly funded programmes are recorded as revenue when the School has the rights to the funding in the period to which they relate. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are not received in cash by the School 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 where conditions exist

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 recognised as revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

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 expected 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. 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 funded by the Board to buildings owned by the Crown or directly by the board 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 Statement of Comprehensive Revenue and Expense 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	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

1.11. 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. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised as 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.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available 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 Statement of Comprehensive Revenue and Expense.

The reversal of an impairment loss is recognised in the Statement of Comprehensive Revenue and Expense. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 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. Remeasurements are recognised in Statement of Comprehensive Revenue and Expense in the period in which they arise.

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 Comprehensive Revenue and Expense.

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

1.16. Funds held for Capital Works

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

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

1.17. Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the Resource Teachers of Learning & Behaviour programme), all income and expenditure related to the provision of the service is recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

1.18. 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.

Cyclical maintenance, which involves painting of the School, makes up the most significant part of the Board's responsibilities outside the day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the School is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a variety of periods in accordance with the conditional assessment of each area of the school. The economic outflow of this is dependent on the plan established by the School to meet this obligation and is detailed in the notes and disclosures of these accounts.

1.19. 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 initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

Investments that are shares are categorised as financial assets at fair value through other comprehensive revenue and expense in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investments' fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in the Statement of Comprehensive Revenue and Expense unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to the Statement of Comprehensive Revenue and Expense.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in the Statement of Comprehensive Revenue and Expense.

1.20. 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.

1.21. 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.

1.22. Budget Figures

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

1.23. 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

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Government Grants - Ministry of Education	6,658,631	5,665,517	6,158,850
Teachers' Salaries Grants	9,175,616	8,942,766	8,955,229
Use of Land and Buildings Grants	1,854,419	1,500,000	1,443,117
Other Government Grants	238,309	187,500	106,545
	<u>17,926,975</u>	<u>16,295,783</u>	<u>16,663,741</u>

The School has opted in to the donations scheme for this year. Total amount received was \$215,700 (2021: \$220,350).

3. Locally Raised Funds

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

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations & Bequests	100,321	66,500	95,899
Curriculum related Activities - Purchase of goods and services	39,473	10,500	44,596
Fees for Extra Curricular Activities	149,622	96,620	168,867
Trading	32,265	40,100	42,965
Fundraising & Community Grants	1,607	-	10,811
Other Revenue	284,346	74,960	86,917
International Student Fees	<u>227,058</u>	<u>-</u>	<u>132,483</u>
	834,692	288,680	582,538
Expenses			
Extra Curricular Activities Costs	323,056	220,139	412,497
Trading	12,920	17,000	14,880
International Student - Employee Benefit - Salaries	58,289	-	51,949
International Student - Other Expenses	<u>194,191</u>	<u>21,500</u>	<u>95,016</u>
	588,456	258,639	574,342
Surplus / (Deficit) for the year Locally raised funds	<u>246,236</u>	<u>30,041</u>	<u>8,196</u>

During the year the School hosted 1 International student (2021:6)

4. Learning Resources

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	449,595	346,410	312,005
Equipment Repairs	34,795	44,560	32,241
Information and Communication Technology	173,862	156,000	159,273
Library Resources	4,150	3,800	4,593
Employee Benefits - Salaries	11,426,450	10,927,502	10,875,883
Resources /Attached Teacher Costs	2,084,254	1,773,936	1,864,139
Depreciation	341,139	410,000	390,503
Staff Development	<u>44,166</u>	<u>67,400</u>	<u>52,839</u>
	<u>14,558,411</u>	<u>13,729,608</u>	<u>13,691,476</u>

5. Administration

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Audit Fee	9,528	9,000	9,250
Board Fees	4,860	5,500	4,980
Board Expenses	11,589	19,500	13,000
Communication	13,881	24,500	19,291
Consumables	73,821	75,000	63,971
Legal Fees	989	-	-
Other	163,925	137,200	117,442
Employee Benefits - Salaries	329,922	343,772	344,496
Insurance	27,111	19,000	23,286
Service Providers, Contractors and Consultancy	<u>6,072</u>	<u>5,500</u>	<u>5,720</u>
	<u>641,698</u>	<u>638,972</u>	<u>601,436</u>

6. Property

	2022	2022 Budget (Unaudited)	2021
	Actual		Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	38,626	39,000	27,644
Consultancy and Contract Services	187,973	185,000	170,956
Cyclical Maintenance Provision	111,151	70,000	63,649
Grounds	57,679	27,800	28,799
Heat, Light and Water	200,627	141,500	119,097
Rates	11,064	6,500	5,871
Repairs and Maintenance	168,763	126,800	118,477
Use of Land and Buildings	1,854,419	1,500,000	1,443,117
Security	9,805	6,000	6,034
Employee Benefits - Salaries	129,613	118,522	109,801
	<u>2,769,720</u>	<u>2,221,122</u>	<u>2,093,445</u>

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

7. Cash and Cash Equivalents

	2022	2022 Budget (Unaudited)	2021
	Actual		Actual
	\$	\$	\$
Bank Accounts	975,067	562,372	716,114
Cash and Cash Equivalents for Statement of Cash Flows	<u>975,067</u>	<u>562,372</u>	<u>716,114</u>

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

Of the \$975,067 Cash and Cash Equivalents, \$459,735 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 2023 on Crown owned school buildings.

Of the \$975,067 Cash and Cash Equivalents and Investments \$3,008,000, \$686,550 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 conditions are not met, the funds will need to be returned.

Of the \$975,067 Cash and Cash Equivalents, \$29,877 is held by the School on behalf of the COL cluster. See note 20 for details of how the funding received for the cluster has been spent in the year.

8. Accounts Receivable

	2022	2022 Budget (Unaudited)	2021
	Actual		Actual
	\$	\$	\$
Receivables	45,931	10,661	10,661
Receivables from the Ministry of Education	13,106	6,021	6,021
Interest Receivable	5,614	2,144	2,144
Banking Staffing Underuse	43,404	-	-
Teacher Salaries Grant Receivable	818,530	791,706	791,706
	<u>926,585</u>	<u>810,532</u>	<u>810,532</u>
Receivables from Exchange Transactions	51,545	12,805	12,805
Receivables from Non-Exchange Transactions	875,040	797,727	797,727
	<u>926,585</u>	<u>810,532</u>	<u>810,532</u>

9. Inventories

	2022	2022 Budget (Unaudited)	2021
	Actual		Actual
	\$	\$	\$
Stationery	-	4,714	4,714
	<u>-</u>	<u>4,714</u>	<u>4,714</u>

10. Investments

The School's investment activities are classified as follows:

	2022	2022 Budget (Unaudited)	2021
	Actual		Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	3,008,000	2,008,000	2,008,000
Total Investments	<u>3,008,000</u>	<u>2,008,000</u>	<u>2,008,000</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	640,757	15,914	-	-	(45,464)	611,207
Furniture and Equipment	608,927	252,445	-	-	(88,901)	772,471
Information and Communication Technology	318,152	93,710	-	-	(118,908)	292,954
Motor Vehicles	141,929	-	-	-	(19,066)	122,863
Leased Assets	102,297	26,660	-	-	(66,312)	62,645
Library Resources	10,362	10,008	-	-	(2,488)	17,882
Balance at 31 December 2022	1,822,424	398,737	-	-	(341,139)	1,880,022

The net carrying value of equipment held under a finance lease is \$62,645 (2021: \$102,297)

Restrictions

With the exception of the contractual restrictions relating to the above noted finance leases, there are no other restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	921,221	(310,014)	611,207	905,306	(264,549)	640,757
Furniture and Equipment	1,823,677	(1,051,206)	772,471	1,633,819	(1,024,892)	608,927
Information and Communication Technology	945,787	(652,833)	292,954	871,036	(552,884)	318,152
Motor Vehicles	241,677	(118,814)	122,863	241,677	(99,748)	141,929
Leased Assets	281,434	(218,789)	62,645	332,365	(230,068)	102,297
Library Resources	357,205	(339,323)	17,882	347,197	(336,835)	10,362
Work in Progress	-	-	-	-	-	-
Balance at 31 December	4,571,001	(2,690,979)	1,880,022	4,331,400	(2,508,976)	1,822,424

12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	566,660	137,675	137,675
Accruals	190,298	202,202	202,202
Banking Staffing Overuse	-	102,173	102,173
Employee Entitlements - Salaries	900,607	865,346	865,346
Employee Entitlements - Leave Accrual	30,644	25,463	25,463
	1,688,209	1,332,859	1,332,859
Payables for Exchange Transactions	1,688,209	1,332,859	1,332,859
	1,688,209	1,332,859	1,332,859

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	686,550	235,011	235,011
International Student Fees in Advance	523,393	24,647	24,647
Other Revenue in Advance	55,974	15,903	15,903
	1,265,917	275,561	275,561

14. Provision for Cyclical Maintenance

	2022	2022 Budget	2021
	Actual	(Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	304,044	304,044	258,372
Increase to the Provision During the Year	72,304	70,000	63,649
Other Adjustments	38,847	-	-
Use of the Provision During the Year	(18,477)	(18,477)	(17,977)
Provision at the End of the Year	396,718	355,567	304,044
Cyclical Maintenance - Current	13,396	13,477	16,292
Cyclical Maintenance - Non current	383,322	342,090	287,752
	396,718	355,567	304,044

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

15. Painting Contract Liability

	2022	2022 Budget	2021
	Actual	(Unaudited)	Actual
	\$	\$	\$
Due within one year	42,866	29,389	42,866
Due after one year	-	-	15,912
	42,866	29,389	58,778

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.

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:

	2022	2022 Budget	2021
	Actual	(Unaudited)	Actual
	\$	\$	\$
No Later than One Year	61,262	72,844	72,844
Later than One Year and no Later than Five Years	20,226	58,228	58,228
Future Finance Charges	(5,676)	(12,642)	(12,642)
	75,812	118,430	118,430
Represented by:			
Finance lease liability - Current	56,531	63,551	63,551
Finance lease liability - Non current	19,281	54,879	54,879
	75,812	118,430	118,430

17. Funds Held in Trust

	2022	2022 Budget	2021
	Actual	(Unaudited)	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	523,407	87,012	87,012
Funds Held in Trust on Behalf of Third Parties - Non current	8,000	8,000	8,000
	531,407	95,012	95,012

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. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Fire & Security Upgrade	9,270	140,629	(139,535)	-	10,364
Block 3(D Block) Renovation	306,456	3,513,835	(3,807,635)	-	12,656
Heat Pump Installation	600	-	-	-	600
Special Needs Project	66,255	-	(3,880)	-	62,375
Block 1 & PAC	234,345	465,485	(675,876)	-	23,954
Roofing School wide	126,931	456,367	(482,165)	-	101,133
Gym WeatherTightness	40,524	-	(25,820)	-	14,704
Water Pumps & Heating Upgrade	(2,888)	-	-	-	(2,888)
Library Weathertightness	29,707	102,235	(101,330)	-	30,612
Totals	811,200	4,678,551	(5,236,241)	-	253,510

Represented by:

Funds Held on Behalf of the Ministry of Education	256,398
Funds Receivable from the Ministry of Education	(2,888)

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	156,620	1,619,456	(964,876)	-	811,200

Represented by:

Funds Held on Behalf of the Ministry of Education	814,088
Funds Receivable from the Ministry of Education	(2,888)

19. 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.

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held at Beginning of the Year	7,814	7,814	23,629
Funds Spent on Behalf of the Cluster	(7,814)	-	(15,815)
Funds Held at Year End	-	7,814	7,814

20. 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.

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held at Beginning of the Year	9,424	9,424	-
Funds Received from Cluster Members	-	-	9,424
Funds Received from Ministry of Education	194,139	-	-
Funds Spent on Behalf of the Cluster	(173,686)	-	-
Funds Held at Year End	29,877	9,424	9,424

21. 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.

22. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	4,860	4,980
<i>Leadership Team</i>		
Remuneration	902,810	724,391
Full-time equivalent members	6.00	5.00
Total key management personnel remuneration	<u>907,670</u>	<u>729,371</u>

There are 7 members of the Board excluding the Principal. The Board had held 9 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 Presiding member 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:

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	250 - 260	200 - 210
Benefits and Other Emoluments	7 - 8	6 - 7
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	2022 FTE Number	2021 FTE Number
100 - 110	10.00	11.00
110 - 120	11.00	8.00
120 - 130	2.00	4.00
130 - 140	3.00	1.00
	<u>26.00</u>	<u>24.00</u>

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

23. 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 members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2022 Actual \$	2021 Actual \$
Total	-	-
Number of People	-	-

24. Contingencies

There are no contingent liabilities and no contingent assets except as noted below as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: 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 2022, a contingent liability for the school may exist.

Additional funding wash up payment

The Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School has not been notified of the final wash up calculation relating to 31 December 2022. The final calculations impact on the financial statements is unable to be determined at the date of reporting.

25. Commitments

(a) Capital Commitments

As at 31 December 2022 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 \$573,972 has been received from the Ministry for this project, of which \$563,608 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 \$4,013,500 has been received from the Ministry for this project, of which \$4,000,844 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 \$98,216 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 \$965,485 has been received from the Ministry for this project, of which \$941,531 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 \$706,367 has been received from the Ministry for this project, of which \$605,234 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 \$42,650 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 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 \$134,100 has been received from the Ministry for this project, of which \$103,488 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 2021: \$811,200)

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2021: nil)

26. 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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	975,067	562,372	716,114
Receivables	926,585	810,532	810,532
Investments - Term Deposits	3,008,000	2,008,000	2,008,000
Total Financial assets measured at amortised cost	<u>4,909,652</u>	<u>3,380,904</u>	<u>3,534,646</u>

Financial liabilities measured at amortised cost

Payables	1,688,209	1,332,859	1,332,859
Finance Leases	75,812	118,430	118,430
Painting Contract Liability	42,866	29,389	58,778
Total Financial liabilities measured at amortised Cost	<u>1,806,887</u>	<u>1,480,678</u>	<u>1,510,067</u>

27. Events After Balance Date

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

28. Comparatives

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