



SOUTHLAND  
ADVENTIST CHRISTIAN SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

<b>Ministry Number:</b>	4112
<b>Principal:</b>	Joshua Taylor
<b>School Address:</b>	21 Durham Street, Waikiwi, Invercargill
<b>School Postal Address:</b>	PO Box 5007, Waikiwi, Invercargill, 9843
<b>School Phone:</b>	03 215 7904
<b>School Email:</b>	<a href="mailto:office@sacs.school.nz">office@sacs.school.nz</a>

# SOUTHLAND ADVENTIST CHRISTIAN SCHOOL

Annual Report - For the year ended 31 December 2021

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# Southland Adventist Christian School

## Statement of Responsibility

For the year ended 31 December 2021

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2021 fairly reflects the financial position and operations of the School.

The School's 2021 financial statements are authorised for issue by the Board.

Arthur Owen Saunders

Full Name of Presiding Member

Joshua Taylor

Full Name of Principal



Signature of Presiding Member



Signature of Principal

14/12/22

Date:

14/12/22

Date:

# **Southland Adventist Christian School**

## **Members of the Board**

For the year ended 31 December 2021

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Owen Saunders	Presiding Member	Elected	Sep 2022
Joshua Taylor	Principal ex Officio		
Reece McLean	Parent Representative	Elected	Sep 2022
Russell Kells	Parent Representative	Elected	Sep 2022
Chanel Potgieter	Staff Representative	Elected	Oct 2021
Ross Gibbs	Proprietors Representative	Appointed	Sep 2022
Sharon Robbie	Parent Representative	Elected	Sep 2022
Tulaga Aiolupotea	Proprietors Representative	Appointed	Sep 2022
Nicky Rademeyer	Proprietors Representative	Appointed	Sep 2022

# Southland Adventist Christian School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Revenue</b>				
Government Grants	2	651,007	470,115	584,044
Locally Raised Funds	3	32,363	25,640	22,257
Use of Proprietor's Land and Buildings		155,000	120,000	169,600
Interest Income		78	100	60
		<u>838,448</u>	<u>615,855</u>	<u>775,961</u>
<b>Expenses</b>				
Locally Raised Funds	3	33,897	33,650	31,873
Learning Resources	4	502,728	353,654	446,821
Administration	5	60,885	59,040	50,044
Finance		422	-	486
Property	6	189,082	155,450	199,117
Depreciation	9	34,060	14,000	36,957
Loss on Disposal of Property, Plant and Equipment		378	-	4
		<u>821,452</u>	<u>615,794</u>	<u>765,302</u>
<b>Net Surplus / (Deficit) for the year</b>		16,996	61	10,659
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>16,996</u>	<u>61</u>	<u>10,659</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.

# Southland Adventist Christian School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>		176,289	176,289	163,210
Total comprehensive revenue and expense for the year		16,996	61	10,659
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		2,609	-	2,420
Contribution - Te Mana Tuhono		7,739	-	-
<b>Equity at 31 December</b>		203,633	176,350	176,289
Retained Earnings		203,633	176,350	176,289
<b>Equity at 31 December</b>		203,633	176,350	176,289

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.

# Southland Adventist Christian School

## Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	88,283	128,134	111,309
Accounts Receivable	8	36,915	27,300	27,300
Prepayments		5,599	2,048	2,048
		<u>130,797</u>	<u>157,482</u>	<u>140,657</u>
<b>Current Liabilities</b>				
GST Payable		3,691	11,272	11,272
Accounts Payable	10	51,787	32,997	32,997
Revenue Received in Advance	11	1,179	1,185	1,185
Finance Lease Liability	13	2,150	7,992	7,992
		<u>58,807</u>	<u>53,446</u>	<u>53,446</u>
<b>Working Capital Surplus/(Deficit)</b>		71,990	104,036	87,211
<b>Non-current Assets</b>				
Property, Plant and Equipment	9	134,603	93,804	103,568
		<u>134,603</u>	<u>93,804</u>	<u>103,568</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	12	2,304	18,685	11,685
Finance Lease Liability	13	656	2,805	2,805
		<u>2,960</u>	<u>21,490</u>	<u>14,490</u>
<b>Net Assets</b>		<u>203,633</u>	<u>176,350</u>	<u>176,289</u>
<b>Equity</b>		<u>203,633</u>	<u>176,350</u>	<u>176,289</u>

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

# Southland Adventist Christian School

## Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		212,536	176,447	204,075
Locally Raised Funds		31,864	25,640	22,909
Goods and Services Tax (net)		(7,581)	-	6,184
Payments to Employees		(76,466)	(69,620)	(86,701)
Payments to Suppliers		(121,483)	(111,506)	(91,931)
Interest Received		78	100	60
Net cash from/(to) Operating Activities		38,948	21,061	54,596
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(57,734)	(4,236)	(5,562)
Net cash (to)/from Investing Activities		(57,734)	(4,236)	(5,562)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		2,609	-	2,420
Finance Lease Payments		(6,849)	-	(6,667)
Funds Administered on Behalf of Third Parties		-	-	(1,512)
Net cash (to)/from Financing Activities		(4,240)	-	(5,759)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(23,026)</b>	<b>16,825</b>	<b>43,275</b>
Cash and cash equivalents at the beginning of the year	7	111,309	111,309	68,034
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>88,283</b>	<b>128,134</b>	<b>111,309</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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



# Southland Adventist Christian School

## Notes to the Financial Statements

For the year ended 31 December 2021

### 1. Statement of Accounting Policies

#### 1.1. Reporting Entity

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

#### 1.2. Basis of Preparation

##### **Reporting Period**

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

##### **Basis of Preparation**

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

##### **Financial Reporting Standards Applied**

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

##### **PBE Accounting Standards Reduced Disclosure Regime**

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

##### **Measurement Base**

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

##### **Presentation Currency**

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

##### **Specific Accounting Policies**

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

##### **Critical Accounting Estimates And Assumptions**

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

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

##### **Cyclical Maintenance**

A school recognises its obligation to maintain the Proprietor'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 12.



#### *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 9.

#### **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 Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

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

#### **Other Grants**

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

#### **Donations, Gifts and Bequests**

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

#### **Interest Revenue**

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

### **1.4. Operating Lease Payments**

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

### 1.5. Finance Lease Payments

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

### 1.6. Cash and Cash Equivalents

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

### 1.7. Accounts Receivable

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

### 1.8. Property, Plant and Equipment

Land and buildings owned by the Proprietor 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 Proprietor 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:

Furniture and equipment	5-10 years
Information and communication technology	4-5 years
Leased assets held under a Finance Lease	Term of Lease
Motor vehicles	7 years
Library resources	12.5% Diminishing value

### **1.9. 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.

### **1.10. 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.

### **1.11. 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.

### **1.12. 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.

### **1.13. Provision for Cyclical Maintenance**

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building 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.

#### **1.14. 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, 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.

#### **1.15. 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.

#### **1.16. 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.

#### **1.17. Budget Figures**

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

#### **1.18. 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	191,176	162,447	173,744
Teachers' Salaries Grants	436,848	293,668	378,413
Other MoE Grants	22,983	14,000	31,887
	<u>651,007</u>	<u>470,115</u>	<u>584,044</u>

The School has opted in to the donations scheme for this year. Total amount received was \$11,550 (2020:\$10,950 ).

## 3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
Donations & Bequests	7,228	5,500	2,486
Fees for Extra Curricular Activities	5,957	5,940	5,713
Trading	3,173	-	1,942
Fundraising & Community Grants	-	2,000	1,481
Other Revenue	4,905	2,200	1,476
Transport Revenue	11,100	10,000	9,159
	<u>32,363</u>	<u>25,640</u>	<u>22,257</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	2,052	2,100	2,789
Trading	3,551	3,000	2,743
Fundraising & Community Grant Costs	-	100	375
Transport (Local)	28,294	28,450	25,966
	<u>33,897</u>	<u>33,650</u>	<u>31,873</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>(1,534)</u>	<u>(8,010)</u>	<u>(9,616)</u>

## 4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	17,393	19,166	10,459
Library Resources	135	100	49
Employee Benefits - Salaries	482,700	332,388	435,717
Staff Development	2,500	2,000	596
	<u>502,728</u>	<u>353,654</u>	<u>446,821</u>

## 5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	4,500	4,800	3,508
Board Fees	-	400	-
Board Expenses	2,012	2,400	3,746
Communication	1,733	1,300	1,637
Consumables	10,867	12,400	3,592
Other	4,188	3,540	3,604
Employee Benefits - Salaries	33,072	30,900	29,514
Insurance	884	-	776
Service Providers, Contractors and Consultancy	3,629	3,300	3,667
	<u>60,885</u>	<u>59,040</u>	<u>50,044</u>

## 6. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	12,432	9,700	10,576
Cyclical Maintenance Provision	(9,381)	7,000	1,633
Grounds	4,574	5,200	4,444
Heat, Light and Water	13,408	7,350	7,508
Rates	6,913	2,500	2,953
Repairs and Maintenance	4,624	3,000	1,937
Use of Land and Buildings	155,000	120,000	169,600
Security	1,512	700	466
	<b>189,082</b>	<b>155,450</b>	<b>199,117</b>

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.

## 7. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	88,283	128,134	111,309
Cash and cash equivalents for Statement of Cash Flows	<b>88,283</b>	<b>128,134</b>	<b>111,309</b>

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

## 8. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	493	-	-
Teacher Salaries Grant Receivable	36,422	27,300	27,300
	<b>36,915</b>	<b>27,300</b>	<b>27,300</b>
Receivables from Exchange Transactions	493	-	-
Receivables from Non-Exchange Transactions	36,422	27,300	27,300
	<b>36,915</b>	<b>27,300</b>	<b>27,300</b>

## 9. Property, Plant and Equipment

	Opening					
	Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2021</b>						
Furniture and Equipment	19,234	37,801	(378)	-	(7,552)	<b>49,105</b>
Information and Communication Technology	6,945	26,680	-	-	(5,440)	<b>28,185</b>
Motor Vehicles	63,436	-	-	-	(17,278)	<b>46,158</b>
Leased Assets	5,335	-	-	-	(2,589)	<b>2,746</b>
Library Resources	8,618	992	-	-	(1,201)	<b>8,409</b>
<b>Balance at 31 December 2021</b>	<b>103,568</b>	<b>65,473</b>	<b>(378)</b>	<b>-</b>	<b>(34,060)</b>	<b>134,603</b>

The net carrying value of equipment held under a finance lease is \$2,746 (2020: \$5,335)

	2021	2021	2021	2020	2020	2020
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	121,090	(71,985)	<b>49,105</b>	95,533	(76,299)	<b>19,234</b>
Information and Communication Technology	66,899	(38,714)	<b>28,185</b>	53,212	(46,267)	<b>6,945</b>
Motor Vehicles	115,184	(69,026)	<b>46,158</b>	115,185	(51,749)	<b>63,436</b>
Leased Assets	7,775	(5,029)	<b>2,746</b>	34,800	(29,465)	<b>5,335</b>
Library Resources	39,279	(30,870)	<b>8,409</b>	38,287	(29,669)	<b>8,618</b>
<b>Balance at 31 December</b>	<b>350,227</b>	<b>(215,624)</b>	<b>134,603</b>	<b>337,017</b>	<b>(233,449)</b>	<b>103,568</b>

## 10. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	7,735	2,477	2,477
Accruals	4,500	2,548	2,548
Employee Entitlements - Salaries	39,077	27,300	27,300
Employee Entitlements - Leave Accrual	475	672	672
	<u>51,787</u>	<u>32,997</u>	<u>32,997</u>
Payables for Exchange Transactions	51,787	32,997	32,997
	<u>51,787</u>	<u>32,997</u>	<u>32,997</u>

The carrying value of payables approximates their fair value.

## 11. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Other revenue in Advance	1,179	1,185	1,185
	<u>1,179</u>	<u>1,185</u>	<u>1,185</u>

## 12. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	11,685	11,685	10,052
Increase to the Provision During the Year	2,304	7,000	1,633
Adjustment to the Provision	(11,685)	-	-
Provision at the End of the Year	<u>2,304</u>	<u>18,685</u>	<u>11,685</u>
Cyclical Maintenance - Term	2,304	18,685	11,685
	<u>2,304</u>	<u>18,685</u>	<u>11,685</u>

## 13. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	2,325	8,413	8,413
Later than One Year and no Later than Five Years	678	3,003	3,003
Future Finance Charges	(197)	(619)	(619)
	<u>2,806</u>	<u>10,797</u>	<u>10,797</u>
Represented by			
Finance lease liability - Current	2,150	7,992	7,992
Finance lease liability - Term	656	2,805	2,805
	<u>2,806</u>	<u>10,797</u>	<u>10,797</u>



#### 14. 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.

The Proprietor of the School (New Zealand Seven Day Adventists Schools Association) is a related party of the Board because the Proprietor appoints representatives to the Board, giving the Proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the Proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1.3. The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

#### 15. Remuneration

##### *Key management personnel compensation*

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	-	-
<i>Leadership Team</i>		
Remuneration	110,309	107,340
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	110,309	107,340

There are eight members of the Board excluding the Principal. The Board had held eight full meetings of the Board in the year. 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	100 - 120	100 - 110
Benefits and Other Emoluments	0 - 5	0 - 5
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	1.00	-
	1.00	-

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

## 16. 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.

## 17. Commitments

### (a) Capital Commitments

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

(Capital commitments at 31 December 2020: nil)

### (b) Operating Commitments

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

(Operating commitments at 31 December 2020: nil)

## 18. Financial Instruments

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

### Financial assets measured at amortised cost

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	88,283	128,134	111,309
Receivables	36,915	27,300	27,300
Total Financial Assets Measured at amortised cost	125,198	155,434	138,609

### Financial liabilities measured at amortised cost

Payables	51,787	32,997	32,997
Finance Leases	2,806	10,797	10,797
Total Financial Liabilities Measured at Amortised Cost	54,593	43,794	43,794

## 19. Move to New Site

In 2021 the school moved to the old Waikiwi School site.

## 20. Events After Balance Date

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

## 21. Comparatives

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