

Greenhithe School

Annual Report for the year ended 31 December 2021

Ministry Number:	1299
Principal:	Stephen Grady
School Address:	9 Isobel Road, Greenhithe, Auckland
School Postal Address:	9 Isobel Road, Greenhithe, Auckland, 0632
School Phone:	09-413 9838
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Service Provider:	Edtech Financial Services Ltd

GREENHITHE SCHOOL

Members of the Board

For the year ended 31 December 2021

Name	Position	How position on Board gained	Term expired/expires
Kathy Frame	Presiding Member	Elected	Sep-22
Stephen Grady	Principal	Ex-officio	
Scott Rees	Parent Rep	Elected	Sep-22
Bevan MacDonald	Parent Rep	Elected	Sep-22
Samantha Ebel-Brown	Parent Rep	Elected	Sep-22
Zara Fletcher	Staff Rep	Elected	Sep-22
Angela Smith	Parent Rep	Elected	Sep-22
Jason Willis	Parent Rep	Elected	Sep-22

Greenhithe School

Annual Report

For the year ended 31 December 2021

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Greenhithe 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.

Kathy Frame
Full Name of Presiding Member

[Signature]
Signature of Presiding Member

29/3/23
Date:

STEPHEN GRADY
Full Name of Principal

[Signature]
Signature of Principal

29/3/23
Date:

Greenhithe School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Revenue				
Government Grants	2	4,272,771	4,033,717	4,615,202
Locally Raised Funds	3	203,701	192,456	228,830
Interest Income		2,534	6,000	6,610
International Students	4	86,636	65,200	263,797
		<hr/>	<hr/>	<hr/>
		4,565,642	4,297,373	5,114,439
Expenses				
Locally Raised Funds	3	80,467	57,456	78,824
International Students	4	91,214	83,800	121,020
Learning Resources	5	2,879,457	2,720,050	2,917,440
Administration	6	155,266	175,680	160,580
Finance		8,032	12,000	11,000
Property	7	1,104,524	1,230,324	1,523,263
Depreciation	12	137,246	78,450	136,737
Loss on Disposal of Property, Plant and Equipment		488	-	-
		<hr/>	<hr/>	<hr/>
		4,456,694	4,357,760	4,948,864
Net Surplus / (Deficit) for the year		108,948	(60,387)	165,575
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/>	<hr/>	<hr/>
		108,948	(60,387)	165,575

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

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Balance at 1 January		1,352,621	1,352,621	1,179,989
Total comprehensive revenue and expense for the year		108,948	(60,387)	165,575
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	7,057
Equity at 31 December		1,461,569	1,292,234	1,352,621
Retained Earnings		1,461,569	1,292,234	1,352,621
Equity at 31 December		1,461,569	1,292,234	1,352,621

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.

Greenhithe School

Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	8	739,459	350,200	418,297
Accounts Receivable	9	204,985	193,088	217,254
GST Receivable		19,857	20,000	21,173
Prepayments		8,961	5,000	4,236
Funds Due from the Ministry of Education for Capital Works Projects	18	26,493	-	46,946
Inventories	10	9,734	2,768	2,768
Investments	11	150,000	260,000	293,962
		<u>1,159,489</u>	<u>831,056</u>	<u>1,004,636</u>
Current Liabilities				
Accounts Payable	13	370,084	325,000	331,866
Revenue Received in Advance	14	79,115	17,000	141,547
Provision for Cyclical Maintenance	15	42,750	40,000	31,778
Finance Lease Liability	16	35,389	35,390	44,790
Funds Held in Trust	17	-	-	15,456
Funds Held for Capital Works Projects	18	169,757	65,000	132,738
		<u>697,095</u>	<u>482,390</u>	<u>698,175</u>
Working Capital Surplus/(Deficit)		462,394	348,666	306,461
Non-current Assets				
Property, Plant and Equipment	12	1,096,536	1,045,150	1,045,150
Capital Works in Progress		-	-	117,939
		<u>1,096,536</u>	<u>1,045,150</u>	<u>1,163,089</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	55,779	60,000	72,249
Finance Lease Liability	16	41,582	41,582	44,680
		<u>97,361</u>	<u>101,582</u>	<u>116,929</u>
Net Assets		<u>1,461,569</u>	<u>1,292,234</u>	<u>1,352,621</u>
Equity		<u>1,461,569</u>	<u>1,292,234</u>	<u>1,352,621</u>
		-	-	-

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

Greenhithe School

Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021 Budget	2020
	Note	Actual	(Unaudited)	Actual
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		862,197	885,066	984,156
Locally Raised Funds		201,596	170,929	250,324
International Students		26,949	(37,500)	182,470
Goods and Services Tax (net)		1,316	1,173	14,865
Funds Administered on Behalf of Third Parties		(15,456)	(15,456)	(13,394)
Payments to Employees		(444,124)	(566,351)	(620,914)
Payments to Suppliers		(423,616)	(540,150)	(505,097)
Interest Paid		(8,032)	(12,000)	(11,000)
Interest Received		2,578	6,031	8,198
Net cash from/(to) Operating Activities		203,408	(108,258)	289,608
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(35,012)	(172,296)	(94,707)
Purchase of Investments		-	-	(3,745)
Proceeds from Sale of Investments		143,962	33,962	-
Net cash from/(to) Investing Activities		108,950	(138,334)	(98,452)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	(7,057)	7,057
Finance Lease Payments		(48,668)	199,287	(38,873)
Funds Administered on Behalf of Third Parties		57,472	(20,792)	(98,944)
Net cash from/(to) Financing Activities		8,804	171,438	(130,760)
Net increase/(decrease) in cash and cash equivalents		321,162	(75,154)	60,396
Cash and cash equivalents at the beginning of the year	8	418,297	425,354	357,901
Cash and cash equivalents at the end of the year	8	739,459	350,200	418,297

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.

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

Reporting Entity

Greenhithe 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 (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

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 of cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

Useful lives of property, plant and equipment

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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

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.

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.

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.

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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

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.

Accounts Receivable

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

Inventories

Inventories are consumable items held for sale and comprise 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.

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.

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:

Board owned buildings	40 years
Furniture and equipment	5-10 years
Information and communication technology	3-5 years
Leased assets held under a Finance Lease	Term of lease
Library resources	12.5% Diminishing value

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

Impairment of property, plant, and equipment

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 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.

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.

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.

Revenue Received in Advance

Revenue received in advance relates to international student fees and other revenue 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 this revenue received in advance, should the School be unable to provide the services to which they relate.

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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

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.

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.

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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

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

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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

2 Government Grants

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	687,050	663,026	733,686
Teachers' Salaries Grants	2,472,334	2,185,000	2,365,887
Use of Land and Buildings Grants	962,420	980,091	1,317,222
Other MoE Grants	150,967	205,600	198,407
	4,272,771	4,033,717	4,615,202

3 Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	115,067	96,000	111,327
Fees for Extra Curricular Activities	76,189	88,056	110,396
Trading	12,421	8,400	7,077
Fundraising & Community Grants	24	-	30
	203,701	192,456	228,830
Expenses			
Extra Curricular Activities Costs	79,865	57,456	70,505
Trading	602	-	8,319
	80,467	57,456	78,824
	123,234	135,000	150,006

Surplus/ (Deficit) for the year Locally Raised Funds

4 International Student Revenue and Expenses

	2021	2021	2020
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	7	0	6
	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
International Student Fees	86,636	65,200	263,797
Expenses			
Commissions	11,772	-	43,231
International Student Levy	3,597	800	5,548
Employee Benefit - Salaries	74,941	82,000	60,697
Other Expenses	904	1,000	11,544
	91,214	83,800	121,020
	(4,578)	(18,600)	142,777

Surplus/ (Deficit) for the year International Students

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

5 Learning Resources

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	39,529	50,250	60,185
Equipment Repairs	385	500	100
Information and Communication Technology	33,283	43,500	40,450
Library Resources	475	500	1,088
Employee Benefits - Salaries	2,781,388	2,597,100	2,772,652
Staff Development	24,397	28,200	42,965
Overseas Travel	-	-	-
	<u>2,879,457</u>	<u>2,720,050</u>	<u>2,917,440</u>

6 Administration

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Audit Fee	7,562	6,905	6,576
Board Fees	5,480	4,600	4,655
Board Expenses	11,129	14,000	2,165
Communication	4,048	4,500	3,286
Consumables	4,335	5,500	5,096
Operating Lease	15,233	12,000	10,104
Legal Fees	(4,100)	-	10,250
Other	9,024	10,550	9,851
Employee Benefits - Salaries	85,832	101,000	93,093
Insurance	8,497	7,825	7,476
Service Providers, Contractors and Consultancy	8,226	8,800	8,028
	<u>155,266</u>	<u>175,680</u>	<u>160,580</u>

7 Property

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	9,568	14,600	14,596
Consultancy and Contract Services	63,559	66,000	63,559
Cyclical Maintenance Expense	20,772	14,503	(4,282)
Grounds	15,263	13,200	12,370
Heat, Light and Water	26,798	49,000	40,334
Rates	123	130	114
Repairs and Maintenance	(49,101)	29,800	18,524
Use of Land and Buildings	962,420	980,091	1,317,222
Security	6,175	9,000	11,931
Employee Benefits - Salaries	48,947	54,000	48,895
	<u>1,104,524</u>	<u>1,230,324</u>	<u>1,523,263</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 nationwide revaluation exercise that is conducted every 30 June for the Ministry of Education's year end reporting purposes.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

8 Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	595,046	350,200	418,297
Short-term Bank Deposits	144,413	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>739,459</u>	<u>350,200</u>	<u>418,297</u>

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

Of the \$739,459 Cash and Cash Equivalents, \$169,757 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 buildings. The funds are required to be spent in 2022 on Crown owned school buildings.

9 Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	-	320	640
Interest Receivable	237	250	281
Bank Staffing Underuse	12,260	20,000	36,440
Teacher Salaries Grant Receivable	<u>192,488</u>	<u>172,518</u>	<u>179,893</u>
	<u>204,985</u>	<u>193,088</u>	<u>217,254</u>
Receivables from Exchange Transactions	237	570	921
Receivables from Non-Exchange Transactions	<u>204,748</u>	<u>192,518</u>	<u>216,333</u>
	<u>204,985</u>	<u>193,088</u>	<u>217,254</u>

10 Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
School Uniforms	9,734	2,768	2,768
	<u>9,734</u>	<u>2,768</u>	<u>2,768</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	150,000	260,000	293,962
Total Investments	<u>150,000</u>	<u>260,000</u>	<u>293,962</u>

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	673,630	-	-	-	(23,891)	649,739
Furniture and Equipment	246,267	153,071	-	-	(48,986)	350,352
Information and Communication Technology	19,464	-	-	-	(8,640)	10,824
Leased Assets	87,004	36,169	-	-	(49,615)	73,558
Library Resources	18,785	17	(625)	-	(6,114)	12,063
Balance at 31 December 2021	1,045,150	189,257	(625)	-	(137,246)	1,096,536

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	955,578	(305,839)	649,739	955,578	(281,948)	673,630
Furniture and Equipment	1,101,218	(750,866)	350,352	948,185	(701,918)	246,267
Information and Communication Technology	236,756	(225,932)	10,824	236,756	(217,292)	19,464
Leased Assets	247,954	(174,396)	73,558	211,785	(124,781)	87,004
Library Resources	47,303	(35,240)	12,063	48,913	(30,128)	18,785
Balance at 31 December	2,588,809	(1,492,273)	1,096,536	2,401,217	(1,356,067)	1,045,150

The net carrying value of equipment held under a finance lease is \$73,558 (2020: \$87,004).

13 Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	143,592	125,000	125,240
Accruals	7,562	-	-
Employee Entitlements - Salaries	208,914	190,000	194,671
Employee Entitlements - Leave Accrual	10,016	10,000	11,955
	370,084	325,000	331,866
Payables for Exchange Transactions	370,084	325,000	331,866
	370,084	325,000	331,866

The carrying value of payables approximates their fair value.

14 Revenue Received in Advance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International Student Fees in Advance	58,013	15,000	117,700
Other Revenue in Advance	21,102	2,000	23,847
	79,115	17,000	141,547

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

15 Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	104,027	104,027	108,309
Increase/(decrease) to the Provision During the Year	20,772	-	-
Use of the Provision During the Year	(26,270)	(4,027)	(4,282)
Provision at the End of the Year	98,529	100,000	104,027
Cyclical Maintenance - Current	42,750	40,000	31,778
Cyclical Maintenance - Term	55,779	60,000	72,249
	98,529	100,000	104,027

16 Finance Lease Liability

Minimum lease payments payable (includes interest portion):

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	41,708	41,708	51,718
Later than One Year and no Later than Five Years	45,015	45,015	48,905
Future Finance Charges	(9,751)	(9,751)	(11,153)
	76,972	76,972	89,470
Represented by			
Finance lease liability - Current	35,390	35,390	44,790
Finance lease liability - Term	41,582	41,582	44,680
	76,972	76,972	89,470

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.

17 Funds held in Trust

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Funds Held in Trust on Behalf of Third Parties - Current	-	-	15,456
	-	-	15,456

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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

18 Funds Held for Capital Works Projects

During the year the school received and applied funding from the Ministry of Education for the following capital works projects:

2021		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Refurbishment Rms 1/2	Completed	89,640	-	5,616	84,024	-
Field	Completed	(32,248)	32,248	-	-	-
Playground, Turf Works	Completed	(111)	-	-	(111)	-
Phone System	Completed	131	-	85	46	-
SIP Y5 Tiger Turf	Completed	-	36,361	36,326	35	-
Block 8 Renovations	In progress	(14,587)	50,000	37,075	-	(1,662)
Security	In progress	25,375	-	15,099	-	10,276
Bell/Paging Project	In progress	17,592	-	35,057	-	(17,465)
Maeke's Shed	In progress	-	-	6,106	-	(6,106)
SIP Staffroom Project	In progress	-	101,685	18,469	-	83,216
SYA Roofing Project	In progress	-	200,729	124,464	-	76,265
SIP Playground Sails	In progress	-	39,103	39,888	-	(785)
SIP Pool Coating	In progress	-	-	475	-	(475)
Totals		85,792	460,126	318,660	83,994	143,264

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Due from the Ministry of Education

169,757
(26,493)
143,264

2020		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$	\$	\$
Refurbishment Rms 1/2	In progress	184,736	38,647	(133,743)	-	89,640
Field	In progress	(113,639)	81,391	(47,454)	47,454	(32,248)
Block 8 Renovations	In progress	-	-	(14,587)	-	(14,587)
Playground, Turf Works	In progress	-	53,138	(53,249)	-	(111)
Security	In progress	-	37,235	(11,860)	-	25,375
Bell/Paging Project	In progress	-	63,143	(45,551)	-	17,592
Phone System	In progress	-	8,665	(8,534)	-	131
Totals		71,097	282,219	(314,978)	47,454	85,792

19 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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

20 Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	5,480	4,655
Full-time equivalent members	0.16	0.15
<i>Leadership Team</i>		
Remuneration	365,304	351,332
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	370,784	355,987
Total full-time equivalent personnel	3.16	3.15

There are 7 members of the Board excluding the Principal. The Board had held 11 full meetings of the Board in the year. The Board also has Finance (4 members excluding the principal) and Property (2 members excluding the principal) 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	140-150	140-150
Benefits and Other Emoluments	0-5	0-5

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	6	5
	6	5

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

21 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

22 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021.

(Contingent liabilities and assets as at 31 December 2020: nil)

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, 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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

23 Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into no contract agreements for capital works.

As at 31 December 2020 the Board has entered into contract agreements for capital works as follows:

(a) A \$465,585 contract for the field upgrade to be completed in 2020 which will be partially funded by the Ministry of Education. \$290,239 has been received and \$465,585 has been spent on the project to date.

(b) Operating Commitments

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

24 Financial Instruments

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

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	739,459	350,200	418,297
Receivables	204,985	193,088	217,254
Investments - Term Deposits	150,000	260,000	293,962
Total Financial assets measured at amortised cost	1,094,444	803,288	929,513
Financial liabilities measured at amortised cost			
Payables	370,084	325,000	331,866
Finance Leases	76,971	76,972	89,470
Total Financial Liabilities Measured at Amortised Cost	447,055	401,972	421,336

25 Events After Balance Date

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

26 COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Reduction in locally raised funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.

Reduction in International students

In the 2021 year the school's ability to run an international programme was removed by border closures enforced by the Government. With staff employed in this capacity, this closure of the border had an effect on the income for the school.



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF GREENHITHE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Greenhithe School (the School). The Auditor-General has appointed me, Matt Laing, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2021 and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 29 March 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information including List of Board of Trustees, Statement of Responsibility, Analysis of Variance Report and KiwiSport Report, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.

A handwritten signature in black ink, appearing to read "M. Laing", with a horizontal line extending from the end of the signature.

Matt Laing

Partner

for Deloitte Limited

On behalf of the Auditor-General

Hamilton, New Zealand