

# NGAHINAPOURI SCHOOL

## ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021



School Address: 1185 Kakaramea Road, Ngahinapouri

Principal Name: Mark Harrop

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Ministry Number: 1844

Accountant/Service Provider: Accounting for Schools Limited

# NGAHINAPOURI SCHOOL

Annual Report - For the year ended 31 December 2021

## Index

<b>Page</b>	<b>Financial Statements</b>
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 10	Statement of Accounting Policies
11 - 19	Notes to the Financial Statements
	<b>Other Information</b>
20	Members of the Board
21	Kiwisport Funding
22 - 24	Independent Auditors Report
25	Analysis of Variance

**Ngahinapouri 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.

Sally-Anne Gardin

Full Name of Presiding Member

Mark Harrop

Full Name of Principal

Sally-Anne Gardin

Signature of Presiding Member

Mark Harrop

Signature of Principal

2/8/22

Date:

2/8/22

Date:

# Ngahinapouri School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	1,636,802	1,486,256	1,629,859
Locally Raised Funds	3	108,823	117,385	103,231
Interest Earned		144	-	456
Other Revenue		1,642	-	-
		<u>1,747,411</u>	<u>1,603,641</u>	<u>1,733,546</u>
<b>Expenses</b>				
Locally Raised Funds	3	41,931	62,625	50,340
Learning Resources	4	1,266,958	1,199,370	1,167,119
Administration	5	98,387	106,494	91,498
Property	6	384,919	356,520	376,602
Finance Costs		1,330	-	625
Depreciation	7	35,242	-	36,931
		<u>1,828,767</u>	<u>1,725,009</u>	<u>1,723,115</u>
<b>Net Surplus / (Deficit)</b>		(81,356)	(121,368)	10,431
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(81,356)</u>	<u>(121,368)</u>	<u>10,431</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.



# Ngahinapouri School

## Statement of Changes in Net Assets/Equity For the year ended 31 December 2021

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Balance at 1 January</b>	213,312	213,312	174,455
Total comprehensive revenue and expense for the year	(81,356)	(121,368)	10,431
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	28,426
<b>Equity at 31 December</b>	<b>131,956</b>	<b>91,944</b>	<b>213,312</b>
Retained Earnings	131,956	91,944	213,312
<b>Equity at 31 December</b>	<b>131,956</b>	<b>91,944</b>	<b>213,312</b>

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.



**Ngahinapouri School**  
**Statement of Financial Position**  
**As at 31 December 2021**

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	7	208,979	155,163	162,599
Accounts Receivable	8	91,362	77,750	75,760
Inventories	9	6,723	3,500	3,345
Prepayments		6,133	7,500	7,548
Funds owed for Capital Works Projects	16	-	-	7,809
		<u>313,197</u>	<u>243,913</u>	<u>257,061</u>
<b>Current Liabilities</b>				
Accounts Payable	11	128,362	102,000	96,891
Finance Lease Liability	15	7,752	12,000	13,769
Funds held for Capital Works Projects	16	105,419	100,000	-
GST Payable		28,720	25,000	14,597
Borrowings	12	3,760	4,700	4,700
Revenue Received in Advance	13	397	3,500	3,730
Provision for Cyclical Maintenance	14	9,000	8,100	8,100
		<u>283,410</u>	<u>255,300</u>	<u>141,787</u>
<b>Working Capital Surplus</b>		29,787	(11,387)	115,274
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	137,932	153,000	137,405
		<u>137,932</u>	<u>153,000</u>	<u>137,405</u>
<b>Non-current Liabilities</b>				
Borrowings	12	11,280	14,100	14,100
Provision for Cyclical Maintenance	14	22,566	26,569	16,571
Finance Lease Liability	15	1,917	9,000	8,696
		<u>35,763</u>	<u>49,669</u>	<u>39,367</u>
<b>Net Assets</b>		<u>131,956</u>	<u>91,944</u>	<u>213,312</u>
<b>Equity</b>		<u>131,956</u>	<u>91,944</u>	<u>213,312</u>

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



**Ngahinapouri School**  
**Statement of Cash Flows**  
For the year ended 31 December 2021

	2021	2021	2020
Note	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
<b>Cash flows from Operating Activities</b>			
Government Grants	439,607	261,256	418,483
Locally Raised Funds	94,108	117,163	121,773
Goods and Services Tax (net)	14,125	10,403	(5,322)
Payments to Employees	(373,891)	(291,303)	(271,044)
Payments to Suppliers	(187,286)	(195,704)	(229,701)
Interest Paid	(1,330)	-	(625)
Interest Received	144	-	456
Net cash from/(to) Operating Activities	(14,523)	(98,185)	34,020
<b>Cash flows from Investing Activities</b>			
Purchase of PPE (and Intangibles)	(35,769)	(15,595)	(15,681)
Net cash from/(to) Investing Activities	(35,769)	(15,595)	(15,681)
<b>Cash flows from Financing Activities</b>			
Furniture and Equipment Grant	-	-	28,426
Finance Lease Payments	(12,796)	(1,465)	(11,670)
Loans Received/ Repayment of Loans	(3,760)	-	-
Funds Administered on Behalf of Third Parties	113,228	107,809	(144,718)
Net cash from/(to) Financing Activities	96,672	106,344	(127,962)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>46,380</b>	<b>(7,436)</b>	<b>(109,623)</b>
Cash and cash equivalents at the beginning of the year	7 162,599	162,599	272,222
<b>Cash and cash equivalents at the end of the year</b>	<b>7 208,979</b>	<b>155,163</b>	<b>162,599</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.



# Ngahinapouri School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Ngahinapouri 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.

##### b) 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.

###### **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 10.



# Ngahinapouri School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### *Cyclical Maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

##### *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.

#### c) 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.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. 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.

##### *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.

# Ngahinapouri School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of 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 expense that is offset by a non-cash grant from the Ministry.

##### e) 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.

##### f) 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.

##### g) 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.

##### h) 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.

##### i) 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.

##### j) 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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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.



# Ngahinapouri School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### **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:

Buildings	50 years
Furniture & Equipment	5 - 20 years
Information Technology	5 years
Leased Assets	Term of Lease
Library Resources	12.5% Diminishing value

##### **k) 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.

##### **l) 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.



# Ngahinapouri School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### m) 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.

##### n) Revenue Received in Advance

Revenue received in advance relates to fees received from students 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, should the School be unable to provide the services to which they relate.

##### o) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

##### p) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings 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.

##### q) 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.

##### r) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

##### s) 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.



# Ngahinapouri School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational grants	310,668	253,147	310,693
Other MoE Grants	128,939	8,109	110,690
Teachers' salaries grants	918,834	950,000	902,248
Use of Land and Buildings grants	278,361	275,000	306,228
	<u>1,636,802</u>	<u>1,486,256</u>	<u>1,629,859</u>

Other MOE Grants total includes no additional COVID-19 funding for the year ended 31 December 2021 (2020: \$6,770).

#### 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>			
Fees for Extra Curricular Activities	19,090	8,675	8,701
Donations & Bequests	65,227	93,210	77,931
Fundraising & Community Grants	19,606	10,000	12,024
Trading	4,900	5,500	4,575
	<u>108,823</u>	<u>117,385</u>	<u>103,231</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	35,031	53,125	38,296
Fundraising & Community Grants Costs	1,499	4,000	4,819
Trading	5,401	5,500	7,225
	<u>41,931</u>	<u>62,625</u>	<u>50,340</u>
<i>Surplus for the year Locally raised funds</i>	<u>66,892</u>	<u>54,760</u>	<u>52,891</u>

#### 4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	20,330	40,017	28,421
Employee benefits - salaries	1,242,863	1,158,353	1,125,334
Library resources	-	-	63
Resource/attached teacher costs	-	-	3,991
Minor Equipment	3,765	1,000	9,310
	<u>1,266,958</u>	<u>1,199,370</u>	<u>1,167,119</u>



**Ngahinapouri School**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

**5. Administration**

	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	<b>\$</b>
Audit Fee	2,715	4,000	6,040
Board of Trustees Expenses	8,386	6,000	392
Board of Trustees Fees	1,874	3,240	2,745
Communication	3,556	6,274	4,290
Consumables	16,700	17,500	18,492
Employee Benefits - Salaries	49,321	54,892	49,971
Insurance	1,895	1,810	3,102
Operating Lease	335	2,500	-
Other	9,635	8,278	6,083
Service Providers, Contractors and Consultancy	3,970	2,000	383
	<u>98,387</u>	<u>106,494</u>	<u>91,498</u>

**6. Property**

	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	<b>\$</b>
Caretaking and Cleaning Consumables	11,656	6,063	7,887
Cyclical Maintenance Provision	6,895	10,000	(17,959)
Consultancy and Contract Services	30,481	27,474	20,221
Grounds	5,637	11,000	4,674
Heat, Light and Water	13,280	13,500	33,992
Repairs and Maintenance	38,609	13,483	21,559
Use of Land and Buildings	278,361	275,000	306,228
	<u>384,919</u>	<u>356,520</u>	<u>376,602</u>

The use of land and buildings figure represents 5% of the school's total property value (2020: 8%). 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**

	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	<b>\$</b>
Bank Current Account	150,687	128,426	104,441
Bank Call Account	58,292	26,737	58,158
Net cash and cash equivalents and bank overdraft for Cash Flow	<u>208,979</u>	<u>155,163</u>	<u>162,599</u>

Of the \$208,979 Cash and Cash Equivalents, \$105,419 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2022 on Crown owned school buildings under the School's Five Year Property Plan.



**Ngahinapouri School**  
Notes to the Financial Statements  
For the year ended 31 December 2021

**8. Accounts Receivable**

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	-	250	258
Receivables from the Ministry of Education	16,615	-	-
Teacher Salaries Grant Receivable	74,747	77,500	75,502
	<u>91,362</u>	<u>77,750</u>	<u>75,760</u>
Receivables from Exchange Transactions	16,615	250	258
Receivables from Non-Exchange Transactions	74,747	77,500	75,502
	<u>91,362</u>	<u>77,750</u>	<u>75,760</u>

**9. Inventories**

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	6,426	3,000	2,891
Hats	297	500	454
	<u>6,723</u>	<u>3,500</u>	<u>3,345</u>

**Ngahinapouri School**  
Notes to the Financial Statements  
For the year ended 31 December 2021

**10. Property, Plant and Equipment**

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	16,330	-	-	-	(1,341)	14,989
Classroom Furniture	80,139	32,235	-	-	(15,461)	96,913
Information Technology	3,066	-	-	-	(2,025)	1,041
Leased Assets	20,602	1,460	-	-	(12,886)	9,176
Library Resources	14,254	2,074	-	-	(1,911)	14,417
Music Equipment	3,014	-	-	-	(1,618)	1,396
<b>Balance at 31 December 2021</b>	<b>137,405</b>	<b>35,769</b>	<b>-</b>	<b>-</b>	<b>(35,242)</b>	<b>137,932</b>

The net carrying value of equipment held under a finance lease is \$9,176 (2020: \$20,602).

	2021 Cost or Valuation \$	2021 Accumulate d Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Buildings	67,407	(52,418)	14,989	67,407	(51,077)	16,330
Furniture & Equipment	354,323	(257,410)	96,913	322,089	(241,950)	80,139
Information Technology	125,932	(124,891)	1,041	125,932	(122,866)	3,066
Leased Assets	48,004	(38,828)	9,176	46,544	(25,942)	20,602
Library Resources	80,289	(65,872)	14,417	78,215	(63,961)	14,254
Textbooks	39,811	(38,415)	1,396	39,811	(36,797)	3,014
<b>Balance at 31 December</b>	<b>715,766</b>	<b>(577,834)</b>	<b>137,932</b>	<b>679,999</b>	<b>(542,593)</b>	<b>137,405</b>

**11. Accounts Payable**

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	14,960	15,000	11,124
Accruals	3,133	4,500	4,683
Banking staffing overuse	33,303	-	-
Employee Entitlements - salaries	74,747	77,500	76,333
Employee Entitlements - leave accrual	2,219	5,000	4,751
	<b>128,362</b>	<b>102,000</b>	<b>96,891</b>
Payables for Exchange Transactions	128,362	102,000	96,891
	<b>128,362</b>	<b>102,000</b>	<b>96,891</b>

The carrying value of payables approximates their fair value.





**Ngahinapouri School**  
Notes to the Financial Statements  
For the year ended 31 December 2021

**12. Borrowings**

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Loans due in One Year	3,760	4,700	4,700
Loans due Beyond One Year	11,280	14,100	14,100
	15,040	18,800	18,800

**13. Revenue Received in Advance**

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Other	397	3,500	3,730

**14. Provision for Cyclical Maintenance**

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	24,671	24,671	49,729
Increase to the Provision During the Year	6,895	10,000	8,695
Adjustment to the Provision	-	-	(26,654)
Use of the Provision During the Year	-	-	(7,099)
Provision at the End of the Year	31,566	34,671	24,671
Cyclical Maintenance - Current	9,000	8,100	8,100
Cyclical Maintenance - Term	22,566	26,571	16,571
	31,566	34,671	24,671

**15. Finance Lease Liability**

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	8,343	12,600	15,394
Later than One Year and no Later than Five Years	2,012	9,100	9,664
Future Finance Charges	(686)	(700)	(1,800)
	9,669	21,000	23,258
<b>Represented by</b>			
Finance Lease Liability - Current	7,752	12,000	14,294
Finance Lease Liability - Term	1,917	9,000	8,964
	9,669	21,000	23,258

# Ngahinapouri School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 16. 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 \$
SIP: B: ILE Upgrade	<i>In Progress</i>	(7,809)	120,374	(7,146)	-	105,419
<b>Totals</b>		<b>(7,809)</b>	<b>120,374</b>	<b>(7,146)</b>	<b>-</b>	<b>105,419</b>

#### Represented by:

Funds Held on Behalf of the Ministry of Education	105,419
Funds Due from the Ministry of Education	-
<b>Totals</b>	<b>105,419</b>

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
C & E: ILE Upgrade	<i>Completed</i>	136,909	184,510	(329,228)	-	(7,809)
<b>Totals</b>		<b>136,909</b>	<b>184,510</b>	<b>(329,228)</b>	<b>-</b>	<b>(7,809)</b>

#### 17. 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.

# Ngahinapouri School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 18. Remuneration

##### *Key management personnel compensation*

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	1,874	2,745
<i>Leadership Team</i>		
Remuneration	348,998	343,575
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	350,872	346,320

There are 6 members of the Board excluding the Principal. The Board had held 9 full meetings of the Board in the year. 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(s)*

The total value of remuneration paid or payable to the Principals was in the following bands:

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Principal 1		
Salary and Other Payments	100 - 110	110 - 120
Benefits and Other Emoluments	10 - 20	3 - 4
Principal 2		
Salary and Other Payments	30 - 40	-
Benefits and Other Emoluments	1 - 2	-

##### *Other Employees*

There were no other employees with remuneration greater than \$100,000 (2020: nil).

#### 19. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2021 Actual	2020 Actual
Total	-	-
Number of People	-	-



# Ngahinapouri School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 20. 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.

#### 21. Commitments

##### (a) Capital Commitments

The school has received \$120,374 from the Ministry of Education with regard to the B:ILE Upgrade. At 31 December 2021 the School had spent \$14,955 on the B:ILE Upgrade with the remainder as a capital commitment to be spent during the year ended 31 December 2022.

##### (b) Operating Commitments

As at 31 December 2021 the Board has no operating commitments (2020: \$nil).

#### 22. Financial Instruments

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
<b>Financial assets measured at amortised cost</b>			
	\$	\$	\$
Cash and Cash Equivalents	208,979	155,163	162,599
Receivables	91,362	77,750	75,760
<b>Total Financial assets measured at amortised cost</b>	<b>300,341</b>	<b>232,913</b>	<b>238,359</b>
<b>Financial liabilities measured at amortised cost</b>			
Payables	128,362	102,000	96,891
Borrowings	15,040	18,800	18,800
Finance Leases	9,669	21,000	22,465
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>153,071</b>	<b>141,800</b>	<b>138,156</b>

#### 23. Events After Balance Date

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



# Ngahinapouri School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 24. COVID-19 Pandemic on going implications

##### Impact of Covid-19

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

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

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

##### Impact on operations

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

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

##### Reduction in 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

Under alert levels 4, 3, 2, and 1 International travel is heavily restricted. The school has been unable to welcome and enrol prospective international students which has resulted in a reduction in revenue from student fees & charges from International students and/or Board of Trustee operated boarding facilities.



**NGAHINAPOURI SCHOOL**  
 Members of the Board  
 For the year ended 31 December 2021

<b>Name</b>	<b>Position</b>	<b>How position on Board gained</b>	<b>Term expired/expires</b>
Sally-Anne Gaudin	Presiding Member	Elected	Sept 2022
Wayne Asplin	Principal	Appointed	Resigned Oct 2021
Mark Harrop	Principal	Appointed Oct 2021	
Rene Rakete	Parent Rep	Elected	Resigned Dec 2021
Tim Popping	Staff Rep	Elected	Resigned Dec 2021
Sophie Van De Bogaard	Parent Rep	Elected	Sept 2022
Ammie Hardie	Parent Rep	Elected	Sept 2022
Martin Reid	Parent Rep	Elected	Sept 2022

## **NGAHINAPOURI SCHOOL**

### **Kiwisport Funding**

#### **For the year ended 31 December 2021**

Kiwisport is a Government funding initiative to support student participation in organised sport.

In 2021 the School received funding of \$2.610.

This funding was spent on various sporting endeavours including participation in the Tough Guy and Gal Challenge.

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE READERS OF NGAHINAPOURI SCHOOL'S FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

The Auditor-General is the auditor of Ngahinapouri School (the School). The Auditor-General has appointed me, Paul Lawrence, using the staff and resources of Crowe New Zealand Audit Partnership, 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 19, 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 5 August 2022. 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 arises from the Public Audit Act 2001.

#### **Other information**

The Board is responsible for the other information. The other information comprises the Listing of the Members of the Board and the Kiwi Sport Funding Note, 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.



Paul Lawrence  
Crowe New Zealand Audit Partnership  
On behalf of the Auditor-General  
Auckland, New Zealand