

# **St John's School (Mairangi Bay)**

## **Annual Report for the year ended 31 December 2021**

<b>Ministry Number:</b>	1492
<b>Principal:</b>	Viki Trainor
<b>School Address:</b>	87A Penzance Road, Auckland
<b>School Postal Address:</b>	87A Penzance Road, North Shore City, 0630
<b>School Phone:</b>	09-4787734
<b>School Email:</b>	vikit@sjmb.school.nz
<b>Service Provider:</b>	Edtech Financial Services Ltd

**St John's School Mairangi Bay**  
**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>Occupation</b>	<b>Term expired/expires</b>
Lyn Ryan	Presiding Member	Appointed Proprietor's Representative	Retired, Teacher, JP	Sep 2022
Viki Trainor	Principal	Appointed	School Principal	
Becky Buckley	Member	Appointed Proprietor's Representative	Self Employed	Sep 2022
Cara Mountjoy	Staff Representative	Elected June 2019	Teacher	Sep 2022
Emma Simpson	Member	Appointed Proprietor's Representative	Accountant	Sep 2022
Stefan Sagar	Member	Elected June 2019	Police Area Commander	Sep 2022
Anne-Marie Percy	Member	Elected June 2019	Family Court Lawyer	Sep 2022
Katherine Murphy	Member	Elected June 2019	Strategist Māori TV	Sep 2022
Andrew Moore	Member	Elected June 2019	Radiologist	Sep 2022
Emile Frishe, Fthr.	Member	Appointed Proprietor's Representative	Parish Priest	Sep 2022
Ricky-Jean Curteis	Member	Elected June 2021 By-Election	Student Teacher	Sep 2022

# **St John's School (Mairangi Bay)**

## **Annual Report**

For the year ended 31 December 2021

### **Index**

<b>Page</b>	<b>Statement</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 - 18	Notes to the Financial Statements
	<b>Other Information</b>
	Analysis of Variance
	Kiwisport

**St John's School (Mairangi Bay)**  
**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.

Anne-Marie Rose Percy

Full Name of Presiding Member

APercy

Signature of Presiding Member

7/11/22

Date:

Viki Marie Trainer

Full Name of Principal

VMTrainer

Signature of Principal

7/11/22

Date:



**St John's School Mairangi Bay**

**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Revenue</b>				
Government Grants	2	2,335,926	1,954,004	2,141,473
Locally Raised Funds	3	328,203	350,867	333,863
Use of Proprietor's Land and Buildings		444,217	419,288	710,748
Interest Income		2,098	2,500	4,847
		<b>3,110,444</b>	<b>2,726,659</b>	<b>3,190,931</b>
<b>Expenses</b>				
Locally Raised Funds	3	74,235	129,276	74,805
Learning Resources	4	2,098,229	1,868,463	1,903,598
Administration	5	166,800	180,739	167,177
Finance		3,052	2,844	4,210
Property	6	594,937	578,630	870,329
Depreciation	11	68,685	86,502	78,088
Amortisation of Equitable Lease		10,727	10,727	10,727
Loss on Disposal of Property, Plant and Equipment		930	-	6,001
		<b>3,017,595</b>	<b>2,857,181</b>	<b>3,114,935</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>92,849</b>	<b>(130,522)</b>	<b>75,996</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>92,849</b>	<b>(130,522)</b>	<b>75,996</b>

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

**St John's School Mairangi Bay**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Balance at 1 January</b>		<u>722,873</u>	<u>722,873</u>	<u>637,663</u>
Total comprehensive revenue and expense for the year		92,849	(130,522)	75,996
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		9,866	-	9,214
<b>Equity at 31 December</b>		<u>825,588</u>	<u>592,351</u>	<u>722,873</u>
Retained Earnings		825,588	592,351	722,873
<b>Equity at 31 December</b>		<u>825,588</u>	<u>592,351</u>	<u>722,873</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

**St John's School Mairangi Bay**  
**Statement of Financial Position**

As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	388,515	243,580	341,431
Accounts Receivable	8	146,156	141,000	149,926
GST Receivable		9,043	-	7,155
Prepayments		9,869	9,900	9,780
Inventories	9	5,506	5,000	5,129
Investments	10	100,000	-	-
		659,089	399,480	513,421
<b>Current Liabilities</b>				
Accounts Payable	13	217,428	195,000	178,598
Revenue Received in Advance	14	6,688	10,000	12,362
Provision for Cyclical Maintenance	15	48,889	62,362	69,600
Finance Lease Liability	16	13,846	13,069	13,963
		286,851	280,431	274,523
<b>Working Capital Surplus/(Deficit)</b>		372,238	119,049	238,898
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	303,347	301,291	319,569
Equitable Leasehold Interest	12	194,897	194,897	205,623
		498,244	496,188	525,192
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	33,052	12,186	17,449
Finance Lease Liability	16	11,842	10,700	23,768
		44,894	22,886	41,217
<b>Net Assets</b>		825,588	592,351	722,873
<b>Equity</b>		825,588	592,351	722,873

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

# St John's School Mairangi Bay

## Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		559,034	518,341	544,529
Locally Raised Funds		322,180	348,505	329,245
Goods and Services Tax (net)		(1,888)	7,155	4,490
Payments to Employees		(358,958)	(428,042)	(387,274)
Payments to Suppliers		(317,755)	(462,081)	(323,418)
Interest Paid		(3,052)	(2,844)	(4,210)
Interest Received		3,093	3,301	5,067
Net cash from/(to) Operating Activities		202,654	(15,665)	168,429
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment		-	-	480
Purchase of Property Plant & Equipment		(50,989)	(68,224)	(162,975)
Purchase of Investments		(100,000)	-	100,000
Net cash from/(to) Investing Activities		(150,989)	(68,224)	(62,495)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		9,866	-	9,214
Finance Lease Payments		(14,447)	(13,962)	59,237
Net cash from/(to) Financing Activities		(4,581)	(13,962)	68,451
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>47,084</b>	<b>(97,851)</b>	<b>174,385</b>
Cash and cash equivalents at the beginning of the year	7	341,431	341,431	167,046
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>388,515</b>	<b>243,580</b>	<b>341,431</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 Statement of Cash Flows should be read in conjunction with the accompanying notes which form part of these financial statements.



# St John's School (Mairangi Bay)

## Notes to the Financial Statements

For the year ended 31 December 2021

### 1. Statement of Accounting Policies

#### a. Reporting Entity

St John's School (Mairangi Bay) (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.

##### *Cyclical maintenance*

A school recognises its obligation to maintain the Proprietor'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 14.

##### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.

# St John's School (Mairangi Bay)

## 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.

### **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.

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

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

#### ***Other Grants***

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

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

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

#### ***Interest Revenue***

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

### **d. 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.

### **e. 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.



## St John's School (Mairangi Bay)

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

#### f. 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.

#### g. 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.

#### h. 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.

#### 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.

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

#### Finance Leases

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

#### Depreciation

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

The estimated useful lives of the assets are:

Furniture and equipment	10-15 years
Information and communication technology	4-5 years
Textbooks	3 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

### k. 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.

### 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.

### 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.

#### *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.

### n. Revenue Received in Advance

Revenue received in advance relates to revenue received where there are unfulfilled obligations for the School to provide services in the future. The funds 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.



## St John's School (Mairangi Bay)

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

#### **o. Provision for Cyclical Maintenance**

The property from which the school operates is owned by the Proprietor. 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.

#### **p. Financial Instruments**

The School's financial assets comprise cash and cash equivalents and accounts receivable. 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.

#### **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 Statement 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.

#### **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.

# St John's School Mairangi Bay

## 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	462,891	446,592	454,931
Teachers' Salaries Grants	1,799,859	1,458,630	1,597,616
Other MoE Grants	73,176	48,782	82,022
Other Government Grants	-	-	6,904
	<u>2,335,926</u>	<u>1,954,004</u>	<u>2,141,473</u>

### 3 Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations & Bequests	234,561	221,964	229,551
Fees for Extra Curricular Activities	82,161	103,903	76,971
Trading	6,448	25,000	8,613
Other Revenue	5,033	-	18,728
	<u>328,203</u>	<u>350,867</u>	<u>333,863</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	62,882	106,276	64,818
Trading	11,353	23,000	9,987
	<u>74,235</u>	<u>129,276</u>	<u>74,805</u>
	<u>253,968</u>	<u>221,591</u>	<u>259,058</u>

Surplus/ (Deficit) for the year Locally Raised Funds

### 4 Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	38,029	56,051	56,693
Equipment Repairs	14	200	913
Information and Communication Technology	36,537	49,910	34,927
Library Resources	605	950	1,060
Employee Benefits - Salaries	2,003,262	1,724,352	1,791,051
Staff Development	19,782	37,000	18,954
	<u>2,098,229</u>	<u>1,868,463</u>	<u>1,903,598</u>

**St John's School Mairangi Bay**  
**Notes to the Financial Statements (cont.)**

For the year ended 31 December 2021

**5 Administration**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	7,634	6,954	6,883
Board Fees	5,645	7,480	5,645
Board Expenses	5,314	1,770	1,373
Communication	4,931	9,660	4,229
Consumables	11,557	16,300	12,267
Operating Lease	-	3,179	-
Other	12,211	18,400	13,640
Employee Benefits - Salaries	103,090	100,296	107,875
Insurance	3,938	4,200	3,671
Service Providers, Contractors and Consultancy	12,480	12,500	11,594
	<u>166,800</u>	<u>180,739</u>	<u>167,177</u>

**6 Property**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	9,494	9,500	9,844
Consultancy and Contract Services	27,600	31,250	28,450
Cyclical Maintenance Expense	13,658	12,000	12,567
Grounds	8,734	11,500	11,024
Heat, Light and Water	12,306	14,500	12,764
Rates	-	92	-
Repairs and Maintenance	12,157	13,000	12,847
Use of Land and Buildings	444,217	419,288	710,748
Security	6,386	5,000	6,641
Employee Benefits - Salaries	60,385	62,500	65,444
	<u>594,937</u>	<u>578,630</u>	<u>870,329</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. 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.

**7 Cash and Cash Equivalents**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	182,155	43,580	36,748
Short-term Bank Deposits	206,360	200,000	304,683
Cash and cash equivalents for Statement of Cash Flows	<u>388,515</u>	<u>243,580</u>	<u>341,431</u>

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

**St John's School Mairangi Bay**

**Notes to the Financial Statements (cont.)**

For the year ended 31 December 2021

**8 Accounts Receivable**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	349	-	-
Interest Receivable	806	1,000	1,801
Bank Staffing Underuse	-	-	22,967
Teacher Salaries Grant Receivable	145,001	140,000	125,158
	<u>146,156</u>	<u>141,000</u>	<u>149,926</u>
Receivables from Exchange Transactions	1,155	1,000	1,801
Receivables from Non-Exchange Transactions	145,001	140,000	148,125
	<u>146,156</u>	<u>141,000</u>	<u>149,926</u>

**9 Inventories**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	5,506	5,000	3,869
School Uniforms	-	-	1,260
	<u>5,506</u>	<u>5,000</u>	<u>5,129</u>

**10 Investments**

The School's investment activities are classified as follows:

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	100,000	-	-
Total Investments	<u>100,000</u>	<u>-</u>	<u>-</u>

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

## 11 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Furniture and Equipment	188,071	12,719	-	-	(23,689)	177,101
Information and Communication Technology	79,997	33,019	-	-	(27,742)	85,274
Leased Assets	35,358	2,404	-	-	(14,696)	23,066
Library Resources	16,143	5,251	(930)	-	(2,558)	17,906
<b>Balance at 31 December 2021</b>	<b>319,569</b>	<b>53,393</b>	<b>(930)</b>	<b>-</b>	<b>(68,685)</b>	<b>303,347</b>

  

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	485,664	(308,563)	177,101	472,944	(284,873)	188,071
Information and Communication Technology	354,598	(269,324)	85,274	321,579	(241,582)	79,997
Leased Assets	100,174	(77,108)	23,066	97,770	(62,412)	35,358
Library Resources	43,569	(25,663)	17,906	40,662	(24,519)	16,143
<b>Balance at 31 December</b>	<b>984,005</b>	<b>(680,658)</b>	<b>303,347</b>	<b>932,955</b>	<b>(613,386)</b>	<b>319,569</b>

The net carrying value of equipment held under a finance lease is \$23,066 (2020: \$35,358).

## 12 Equitable Leasehold Interest

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge over the asset. This equitable leasehold interest represents the Board's interest in capital works assets owned by the Proprietor but paid for in whole or part by the Board of Trustees, either from Government funding or community raised funds.

A lease between the Board and the Proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. The equitable leasehold interest is amortised over the economic life of the capital works assets(s) involved. The interest may be realised on the sale of the capital works by the Proprietor or the closure of the school.

The major capital works assets included in the equitable leasehold interest are:

3 New Classrooms  
Building Development  
Administration Block  
Paving/Stairs/Landscaping

2021	2021	2020
Actual	Budget	Actual
\$	(Unaudited)	\$
\$	\$	\$
91,953	91,953	97,014
21,113	21,113	22,275
52,582	52,582	55,476
29,249	29,249	30,858
<b>194,897</b>	<b>194,897</b>	<b>205,623</b>

The amortisation charge in relation to the equitable leasehold interest during the year was \$10,727 (2020: \$10,727).

St John's School Mairangi Bay

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

13 Accounts Payable

Creditors  
Accruals  
Employee Entitlements - Salaries  
Employee Entitlements - Leave Accrual

2021	2021	2020
Actual	Budget	Actual
\$	(Unaudited)	\$
44,218	35,000	34,033
7,765	7,000	6,883
151,864	140,000	126,374
13,581	13,000	11,308
217,428	195,000	178,598
217,428	195,000	178,598
217,428	195,000	178,598

Payables for Exchange Transactions

The carrying value of payables approximates their fair value.

14 Revenue Received in Advance

Other Revenue in Advance

2021	2021	2020
Actual	Budget	Actual
\$	(Unaudited)	\$
6,688	10,000	12,362
6,688	10,000	12,362

15 Provision for Cyclical Maintenance

Provision at the Start of the Year  
Increase/(decrease) to the Provision During the Year  
Use of the Provision During the Year  
Provision at the End of the Year

Cyclical Maintenance - Current  
Cyclical Maintenance - Term

2021	2021	2020
Actual	Budget	Actual
\$	(Unaudited)	\$
87,049	87,049	78,222
13,658	12,000	12,567
(18,766)	(24,501)	(3,740)
81,941	74,548	87,049
48,889	62,362	69,600
33,052	12,186	17,449
81,941	74,548	87,049



## Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

### 16 Finance Lease Liability

The school has entered into a number of finance lease agreements for photocopiers and ICT equipment.

Minimum lease payments payable (includes interest portion):

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	15,644	13,069	16,892
Later than One Year and no Later than Five Years	12,422	10,700	25,923
Future Finance Charges	(2,378)		(5,084)
	<u>25,688</u>	<u>23,769</u>	<u>37,731</u>
<b>Represented by</b>			
Finance lease liability - Current	13,846	13,069	13,963
Finance lease liability - Term	11,842	10,700	23,768
	<u>25,688</u>	<u>23,769</u>	<u>37,731</u>

### 17 Related Party Transactions

The Proprietor of the School RC Bishop of Auckland is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the proprietor collects funds on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1. The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

Under an agency agreement, the School collects funds on behalf of the Proprietor (or vice versa). These include attendance dues, building levy and special character donations payable to the Proprietor. The amounts collected in total were \$154,276 (2020: \$163,951). These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the proprietor are \$12,890 (2020: \$1,280).

## St John's School Mairangi Bay

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

#### 18 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	5,645	5,645
<i>Leadership Team</i>		
Remuneration	383,505	357,824
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	389,150	363,469

There are 10 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. The Board also has Finance (2 members) and Property (2 members) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

##### *Principal*

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	155-160	145-150

##### *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
110-120	2	-
100-110	2	4
	4	4

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

#### 19 Compensation and Other Benefits Upon Leaving

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

#### 20 Contingencies

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

##### **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.



# St John's School Mairangi Bay

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

### 21 Commitments

#### (a) Capital Commitments

The Board considers there to be no contractual commitments at the above date other than those disclosed in the preceding financial statements and detailed below.

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

(Capital commitments as at 31 December 2020: nil)

#### (b) Operating Commitments

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

### 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	388,515	243,580	341,431
Receivables	146,156	141,000	149,926
Investments - Term Deposits	100,000	-	-
<b>Total Financial assets measured at amortised cost</b>	<b>634,671</b>	<b>384,580</b>	<b>491,357</b>
<b>Financial liabilities measured at amortised cost</b>			
Payables	217,428	195,000	178,598
Finance Leases	25,688	23,769	37,731
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>243,116</b>	<b>218,769</b>	<b>216,329</b>

### 23 Events After Balance Date

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

### 24 Comparatives

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

### 25 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.



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE READERS OF ST JOHN'S SCHOOL (MAIRANGI BAY) FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

The Auditor-General is the auditor of St John's School (Mairangi Bay) (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 7 November 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 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.

**Matt Laing**  
Partner  
for Deloitte Limited  
On behalf of the Auditor-General  
Hamilton, New Zealand