

OTAGO GIRLS' HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 378

Principal: Linda Miller

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OTAGO GIRLS' HIGH SCHOOL

Annual Report - For the year ended 31 December 2021

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Otago Girls' High 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.

Philip James Marsh

Full Name of Presiding Member

Bridget Patricia Davidson

Full Name of Principal



Signature of Presiding Member



Signature of Principal

16/12/2022

Date:

16/12/2022

Date:

Otago Girls' High School

Members of the Board

For the year ended 31 December 2021

Name	Position	How Position Gained	Term Expired/ Expires
Lyn Hurring	Presiding Member	Elected	Sep 2022
Linda Miller	Principal ex Officio		
Ann Bixley	Parent Representative	Elected	Sep 2022
Shane de la Harpe	Parent Representative	Elected	Sep 2022
Tony Gomez	Parent Representative	Elected	Sep 2022
Mau White	Parent Representative	Co-opted	Sep 2022
Rowena Monson	Parent Representative	Co-opted	Sep 2022
Phil Marsh	Parent Representative	Elected	Sep 2022
Simon Pickard	Staff Representative	Elected	Sep 2022

Otago Girls' High School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	7,633,789	7,677,500	7,904,295
Locally Raised Funds	3	849,537	419,200	807,959
Interest Income		38,864	46,000	65,853
International Students	4	311,289	275,900	456,993
		<u>8,833,479</u>	<u>8,418,600</u>	<u>9,235,100</u>
Expenses				
Locally Raised Funds	3	647,364	222,900	608,080
International Students	4	112,188	164,000	185,229
Learning Resources	5	6,319,912	5,954,219	6,045,514
Administration	6	541,008	486,400	518,480
Finance		8,826	-	2,815
Property	7	1,458,041	1,606,500	1,644,775
Depreciation	12	178,392	135,000	160,506
Loss on Disposal of Property, Plant and Equipment		6,342	-	6,754
		<u>9,272,073</u>	<u>8,569,019</u>	<u>9,172,153</u>
Net Surplus / (Deficit) for the year		(438,594)	(150,419)	62,947
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(438,594)</u>	<u>(150,419)</u>	<u>62,947</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.

Otago Girls' High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January	<u>3,336,773</u>	<u>3,336,773</u>	<u>3,271,816</u>
Total comprehensive revenue and expense for the year	(438,594)	(150,419)	62,947
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	38,181	-	-
Movement in Reserves	17,062	-	2,010
Equity at 31 December	<u>2,953,422</u>	<u>3,186,354</u>	<u>3,336,773</u>
Retained Earnings	2,448,723	3,186,354	2,849,136
Reserves	504,699	-	487,637
Equity at 31 December	<u>2,953,422</u>	<u>3,186,354</u>	<u>3,336,773</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.

Reserved equity comprises funds that have been received by the School for a specific purpose. The School guarantees to hold sufficient monies to enable the funds to be used for their intended purpose at any time. Those funds arose from bequests from ex-girls and ex-principals. These funds are held for use on outdoor activities, library, prize giving and school disadvantaged as required by terms of the bequests. The school is not required to repay these funds.

	Actual	Budget (Unaudited)	Actual
Reserves	2021	2021	2020
	\$	\$	\$
Opening Balance	487,637	487,637	485,627
Transferred to Current Liabilities	-	-	-
Movement for the year	17,062	-	2,010
Closing Balance	<u>504,699</u>	<u>487,637</u>	<u>487,637</u>

Otago Girls' High School

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	8	1,420,157	1,985,459	2,078,584
Accounts Receivable	9	510,241	526,703	534,961
GST Receivable		-	-	-
Prepayments		15,268	14,922	31,074
Inventories	10	25,163	28,500	28,500
Investments	11	954,125	658,395	658,395
		<u>2,924,954</u>	<u>3,213,979</u>	<u>3,331,514</u>
Current Liabilities				
Cash and Cash Equivalents - Overdraft	8	-	-	5,679
GST Payable		8,645	25,858	25,858
Accounts Payable	13	639,595	516,009	510,539
Revenue Received in Advance	14	257,250	710,604	713,677
Provision for Cyclical Maintenance	15	18,000	28,400	28,400
Finance Lease Liability	16	43,224	11,666	5,655
Funds held in Trust	17	55,823	61,421	61,421
Funds held for Capital Works Projects	18	139,512	39,048	39,048
Funds Held on Behalf of the Asian Language Cluster	19	13,094	13,963	13,963
Funds Held on Behalf of the Former Refugee and	20	33,724	5,398	5,398
		<u>1,208,867</u>	<u>1,412,367</u>	<u>1,409,638</u>
Working Capital Surplus/(Deficit)		1,716,087	1,801,612	1,921,876
Non-current Assets				
Property, Plant and Equipment	12	1,652,180	1,616,456	1,624,122
		<u>1,652,180</u>	<u>1,616,456</u>	<u>1,624,122</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	330,250	229,314	200,814
Finance Lease Liability	16	84,595	2,400	8,411
		<u>414,845</u>	<u>231,714</u>	<u>209,225</u>
Net Assets		<u>2,953,422</u>	<u>3,186,354</u>	<u>3,336,773</u>
Equity		<u>2,953,422</u>	<u>3,186,354</u>	<u>3,336,773</u>

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

Otago Girls' High School

Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		1,796,977	1,740,546	1,962,759
Locally Raised Funds		655,431	427,458	1,140,389
International Students		107,673	272,827	(125,267)
Goods and Services Tax (net)		(17,213)	-	17,352
Payments to Employees		(1,603,605)	(1,497,465)	(1,579,507)
Payments to Suppliers		(1,433,563)	(949,478)	(1,394,181)
Interest Paid		(8,826)	-	(2,815)
Interest Received		55,732	46,000	63,326
Net cash from/(to) Operating Activities		(447,394)	39,888	82,056
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(52,621)	(127,334)	(161,052)
Purchase of Investments		(295,730)	-	-
Proceeds from Sale of Investments		-	-	1,798,702
Net cash (to)/from Investing Activities		(348,351)	(127,334)	1,637,650
Cash flows from Financing Activities				
Furniture and Equipment Grant		38,181	-	-
Finance Lease Payments		(34,569)	-	(26,347)
Funds Administered on Behalf of Third Parties		139,385	-	-
Net cash (to)/from Financing Activities		142,997	-	(26,347)
Net increase/(decrease) in cash and cash equivalents				
		(652,748)	(87,446)	1,693,359
Cash and cash equivalents at the beginning of the year	8	2,072,905	2,072,905	379,546
Cash and cash equivalents at the end of the year	8	1,420,157	1,985,459	2,072,905

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.

Otago Girls' High School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

1.1. Reporting Entity

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

1.2. Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical Maintenance

A school recognises its obligation to maintain the 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 15.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

1.3. Revenue Recognition

Government Grants

The School receives funding from the Ministry of Education. The following are the main types of funding that the School receives.

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers Salaries Grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. Operating Lease Payments

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

1.5. Finance Lease Payments

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

1.6. Cash and Cash Equivalents

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

1.7. Accounts Receivable

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

1.8. Inventories

Inventories are consumable items held for sale and comprised 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.

1.9. Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

1.10. Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements 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:

Building improvements to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.11. Impairment of property, plant and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

1.12. Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

1.13. Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows.

1.14. Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

1.15. Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

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

1.16. Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

1.17. 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).

1.18. 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, painting contract liability and finance lease liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

1.19. Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

1.20. Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

1.21. Budget Figures

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

1.22. Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

2. Government Grants

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	1,680,802	1,602,000	1,611,216
Teachers' Salaries Grants	4,940,562	4,800,000	4,825,937
Use of Land and Buildings Grants	837,969	1,126,000	1,126,553
Other MoE Grants	137,810	113,500	304,520
Other Government Grants	36,646	36,000	36,069
	<u>7,633,789</u>	<u>7,677,500</u>	<u>7,904,295</u>

The School has opted in to the donations scheme for this year. Total amount received was \$141,000 (2020: \$127,500).

3. Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	142,973	65,900	155,223
Fees for Extra Curricular Activities	418,083	95,000	380,992
Trading	179,177	192,500	163,441
Other Revenue	109,304	65,800	108,303
	<u>849,537</u>	<u>419,200</u>	<u>807,959</u>
Expenses			
Extra Curricular Activities Costs	451,229	53,900	382,823
Trading	174,171	162,000	181,777
Other Locally Raised Funds Expenditure	7,191	7,000	30,467
Transport (Local)	14,773	-	13,013
	<u>647,364</u>	<u>222,900</u>	<u>608,080</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>202,173</u>	<u>196,300</u>	<u>199,879</u>

4. International Student Revenue and Expenses

	2021	2021	2020
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	20	25	36
	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
International Student Fees	311,289	275,900	456,993
Expenses			
Student Recruitment	21,235	63,000	74,306
Employee Benefit - Salaries	75,176	81,000	85,244
Other Expenses	15,777	20,000	25,679
	<u>112,188</u>	<u>164,000</u>	<u>185,229</u>
<i>(Deficit)/Surplus for the year International Students</i>	<u>199,101</u>	<u>111,900</u>	<u>271,764</u>

5. Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	267,472	208,600	243,107
Equipment Repairs	13,591	15,000	19,256
Information and Communication Technology	35,104	30,200	30,907
Library Resources	4,801	4,500	5,229
Employee Benefits - Salaries	5,950,074	5,639,419	5,716,853
Staff Development	48,870	56,500	30,162
	<u>6,319,912</u>	<u>5,954,219</u>	<u>6,045,514</u>

6. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,957	6,500	6,420
Board Fees	6,875	5,300	7,640
Board Expenses	58,265	33,500	35,614
Communication	12,513	7,500	16,780
Consumables	2,206	2,000	3,109
Operating Lease	12,666	51,900	14,681
Other	75,110	31,700	73,527
Employee Benefits - Salaries	338,102	326,000	331,373
Insurance	26,154	22,000	27,548
Service Providers, Contractors and Consultancy	2,160	-	1,788
	<u>541,008</u>	<u>486,400</u>	<u>518,480</u>

7. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	27,656	25,000	27,008
Consultancy and Contract Services	-	-	3,900
Cyclical Maintenance Provision	119,036	28,500	41,499
Grounds	7,335	7,000	2,832
Heat, Light and Water	95,880	91,000	96,241
Rates	42,646	43,000	43,328
Repairs and Maintenance	34,283	20,500	28,283
Use of Land and Buildings	837,969	1,126,000	1,126,553
Security	5,304	3,500	3,345
Employee Benefits - Salaries	287,932	262,000	271,786
	<u>1,458,041</u>	<u>1,606,500</u>	<u>1,644,775</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, the use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	186,083	273,099	266,224
Short-term Bank Deposits	1,234,074	1,712,360	1,812,360
Bank Overdraft	-	-	(5,679)
Cash and cash equivalents for Statement of Cash Flows	<u>1,420,157</u>	<u>1,985,459</u>	<u>2,072,905</u>

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

Of the \$1,420,157 Cash and Cash Equivalents, \$198,124 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.

Of the \$1,420,157 Cash and Cash Equivalents, \$13,094 is held by the School on behalf of the Asian Language cluster. (See note 19)

Of the \$1,420,157 Cash and Cash Equivalents, \$33,724 is held by the School on behalf of the Former Refugee and Refugee Pathways and Careers cluster. (See note 20)

9. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	73,553	124,000	132,258
Receivables from the Ministry of Education	10,804	-	-
Interest Receivable	11,164	28,032	28,032
Teacher Salaries Grant Receivable	414,720	374,671	374,671
	<u>510,241</u>	<u>526,703</u>	<u>534,961</u>
Receivables from Exchange Transactions	95,521	152,032	160,290
Receivables from Non-Exchange Transactions	414,720	374,671	374,671
	<u>510,241</u>	<u>526,703</u>	<u>534,961</u>

10. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	-	689	689
School Uniforms	25,163	25,478	25,478
Canteen	-	2,333	2,333
	<u>25,163</u>	<u>28,500</u>	<u>28,500</u>

11. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	954,125	658,395	658,395
	<u>954,125</u>	<u>658,395</u>	<u>658,395</u>

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Buildings	801,816	-	-	-	(22,352)	779,464
Building Improvements	291,683	-	-	-	(8,512)	283,171
Furniture and Equipment	364,275	26,104	-	-	(51,745)	338,634
Information and Communication Technology	50,917	17,312	(362)	-	(20,457)	47,410
Motor Vehicles	49,723	-	-	-	(22,949)	26,774
Leased Assets	15,745	154,552	-	-	(45,027)	125,270
Library Resources	49,963	14,825	(5,981)	-	(7,350)	51,457
Balance at 31 December 2021	<u>1,624,122</u>	<u>212,793</u>	<u>(6,343)</u>	<u>-</u>	<u>(178,392)</u>	<u>1,652,180</u>

The net carrying value of equipment held under a finance lease is \$125,270 (2020: \$15,745)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Buildings	1,117,577	(338,113)	779,464	1,117,578	(315,762)	801,816
Building Improvements	425,588	(142,417)	283,171	425,589	(133,906)	291,683
Furniture and Equipment	1,695,162	(1,356,528)	338,634	1,872,635	(1,508,360)	364,275
Information and Communication Technology	256,870	(209,460)	47,410	607,257	(556,340)	50,917
Motor Vehicles	158,483	(131,709)	26,774	158,483	(108,760)	49,723
Leased Assets	169,285	(44,015)	125,270	92,070	(76,325)	15,745
Library Resources	111,269	(59,812)	51,457	109,559	(59,596)	49,963
Balance at 31 December	<u>3,934,234</u>	<u>(2,282,054)</u>	<u>1,652,180</u>	<u>4,383,171</u>	<u>(2,759,049)</u>	<u>1,624,122</u>

13. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	79,921	81,914	76,444
Accruals	11,768	4,867	4,867
Banking Staffing Overuse	-	10,954	10,954
Employee Entitlements - Salaries	495,978	374,671	374,671
Employee Entitlements - Leave Accrual	51,928	43,603	43,603
	<u>639,595</u>	<u>516,009</u>	<u>510,539</u>

Payables for Exchange Transactions	639,595	516,009	510,539
	<u>639,595</u>	<u>516,009</u>	<u>510,539</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International Student Fees in Advance	115,958	316,501	319,574
Hostel Fees in Advance	87,730	280,700	280,700
Other Revenue in Advance	53,562	113,403	113,403
	<u>257,250</u>	<u>710,604</u>	<u>713,677</u>

15. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	229,214	229,214	241,321
Increase/ (decrease) to the Provision During the Year	75,750	28,500	38,139
Adjustment to the Provision	43,286	-	-
Use of the Provision During the Year	-	-	(50,246)
Provision at the End of the Year	<u>348,250</u>	<u>257,714</u>	<u>229,214</u>
Cyclical Maintenance - Current	18,000	28,400	28,400
Cyclical Maintenance - Term	330,250	229,314	200,814
	<u>348,250</u>	<u>257,714</u>	<u>229,214</u>

16. Finance Lease Liability

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

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	51,649	12,319	12,319
Later than One Year and no Later than Five Years	92,680	2,480	2,480
Future Finance Charges	(16,510)	(733)	(733)
	<u>127,819</u>	<u>14,066</u>	<u>14,066</u>
Represented by:			
Finance lease liability - Current	43,224	11,666	5,655
Finance lease liability - Term	84,595	2,400	8,411
	<u>127,819</u>	<u>14,066</u>	<u>14,066</u>

17. Funds Held in Trust

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	55,823	61,421	61,421
	<u>55,823</u>	<u>61,421</u>	<u>61,421</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

18. Funds Held for Capital Works Projects

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

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Lighting Upgrade (229008)	(3,826)	-	-	3,826	-
Dalrymple Block Roof Project (204140)	9,258	-	(3,726)	(5,532)	-
Boiler Partial Upgrade (227894)	800	-	-	-	800
Dalrymple Floor Covering (209616)	2,627	618	(1,599)	(1,646)	-
Staff/Careers/Admin Revamp (213832)	25,093	-	(4,596)	(333)	20,164
Hall Weather Proofing Project (209614)	(530)	333	(530)	727	-
MOE RE & M Projects (237639)	5,626	260,561	(97,060)	-	169,127
Music Suite Amendment (234416)	-	-	(43,172)	-	(43,172)
Drainage Project (233705)	-	-	(8,767)	-	(8,767)
Gym Floor Repairs (233704)	-	41,714	(33,681)	-	8,033
LSMODS (221015)	-	20,000	(26,673)	-	(6,673)
Totals	39,048	323,226	(219,804)	(2,958)	139,512

Represented by:

Funds Held on Behalf of the Ministry of Education	198,124
Funds Due from the Ministry of Education	(58,612)
	<u>139,512</u>

2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Lighting Upgrade	(3,826)	-	-	-	(3,826)
Dalrymple Block Roof	9,258	-	-	-	9,258
Boiler Project	800	-	-	-	800
Hall Weatherproofing	2,672	-	(3,202)	-	(530)
Dalrymple Floor Covering	2,627	-	-	-	2,627
Staff/Careers/Admin Upgrade	32,770	-	(7,677)	-	25,093
MOE R&M Upgrades	-	96,066	(90,440)	-	5,626
Totals	44,301	96,066	(101,319)	-	39,048

19. Funds Held on Behalf of the Asian Language Cluster

Otago Girls' High School is the lead school and holds funds on behalf of the Asian Language cluster, a group of schools funded by the Ministry of Education.

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	13,963	13,963	15,143
Funds Spent on Behalf of the Cluster	(869)	-	(1,180)
Funds Held at Year End	<u>13,094</u>	<u>13,963</u>	<u>13,963</u>

20. Funds Held on Behalf of the Former Refugee and Refugee Pathways and Careers (RFFP & RPCP) Clusters

Otago Girls' High School is the lead school and holds funds on behalf of the Former Refugee and Refugee Pathways and Careers (RFFP & RPCP) clusters, a group of schools funded by the Ministry of Education.

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	5,398	5,398	5,039
Funds Received from other sources	-	-	698
Funds Received from MoE	133,613	-	82,790
Funds Spent on Behalf of the Cluster	(105,287)	-	(83,129)
Funds Held at Year End	<u>33,724</u>	<u>5,398</u>	<u>5,398</u>

21. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the School. The School enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the School would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

22. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	6,875	7,640
<i>Leadership Team</i>		
Remuneration	718,230	644,194
Full-time equivalent members	5.00	5.00
Total key management personnel remuneration	725,105	651,834

There are 8 members of the Board excluding the Principal. The Board had held 9 full meetings of the Board in the year. The Board also has Finance and Property members (7) that meet twice per term. 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
<i>Principal 1</i>		
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	200-210	180-190
Benefits and Other Emoluments	0 - 10	0-10
Termination Benefits	0 - 0	0 - 0

Principal 2

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	150-160	0 - 0
Benefits and Other Emoluments	0 - 0	0 - 0
Termination Benefits	0 - 0	0 - 0

Other Employees

The number of other employees with remuneration greater than \$100,000 was in the following bands:

Remuneration \$000	2021 FTE Number	2020 FTE Number
100 -110	6.00	4.00
110 -120	1.00	-
120 - 130	4.00	-
130 - 140	-	-
	11.00	4.00

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

23. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee 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	-	-

24. 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.

25. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into the following contract agreements for capital works.

(a) Two contracts to upgrade the Staff/Careers/Admin areas and R&M Upgrades as agent for the Ministry of Education. These projects are fully funded by the Ministry as part of the School Investment Package and property modernisation programme. As at balance date, \$30,719 was yet to be spent, and

(b) \$240,103 contract for an Outdoor Education Garage to be completed early 2022. This will be fully funded by the Ministry of Education. \$187,759 has been received of which \$19,146 has been spent on the project to date.

(Capital commitments in relation to Ministry projects at 31 December 2020: Nil)

(b) Operating Commitments

As at 31 December 2021 the Board has entered into the following operating contract.

(a) operating lease of EFTPOS machines;

	2021 Actual \$	2020 Actual \$
No later than One Year	2,092	2,146
Later than One Year and No Later than Five Years	855	3,414
Later than Five Years	-	-
	<u>2,947</u>	<u>5,560</u>

26. Financial Instruments

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

Financial assets measured at amortised cost

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	1,420,157	1,985,459	2,072,905
Receivables	510,241	526,703	534,961
Investments - Term Deposits	954,125	658,395	658,395
Total Financial assets measured at amortised cost	<u>2,884,523</u>	<u>3,170,557</u>	<u>3,266,261</u>

Financial liabilities measured at amortised cost

Payables	639,595	516,009	510,539
Finance Leases	127,819	14,066	14,066
Total Financial liabilities measured at amortised Cost	<u>767,414</u>	<u>530,075</u>	<u>524,605</u>

27. Events After Balance Date

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

28. Comparatives

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

29. 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 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.

30. Non Compliance with Section 87A and 87C of the Education Act 1989

The draft financial statements were not submitted to the auditor by the statutory deadline of 31 March 2022 and the Board did not report by 31 May 2022, the date fixed by the Ministry of Education, by which schools were required to have sent their audited financial statements to the Ministry of Education.