

# ST JOHNS COLLEGE HILLCREST

## ANNUAL REPORT



### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

<b>Ministry Number:</b>	136
<b>Principal:</b>	Shane Tong
<b>School Address:</b>	85 Hillcrest Road Hamilton
<b>School Postal Address:</b>	P O Box 11086 Hillcrest Hamilton
<b>School Phone:</b>	07- 856-7091
<b>School Email:</b>	<a href="mailto:reception@stjohns-hamilton.school.nz">reception@stjohns-hamilton.school.nz</a>

#### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
R Spelman	Presiding Member	Elected	May-22
S Tong	Principal ex Officio		
B Bayne	Parent Representative	Elected	Dec-21
K Duff	Parent Representative	Elected	May-22
B Virtue	Parent Representative	Elected	May-22
A Webby	Parent Representative	Elected	Jan-24
R Doohan	Proprietors Representative	Elected	Dec-21
R Cartmill	Proprietors Representative	Elected	Jun-24
A McWilliam	Proprietors Representative	Elected	May-22
T Fraser-Jones	Proprietors Representative	Elected	Feb-24
J Bartram	Staff Representative	Elected	May-22
N Ilustrisimo	Student Representative	Elected	Dec-22

**Accountant / Service Provider:** SRN Partners(Hamilton) Ltd

# ST JOHNS COLLEGE HILLCREST

Annual Report - For the year ended 31 December 2021

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# St Johns College Hillcrest

## 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.

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Full Name of Presiding Member

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Full Name of Principal

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Signature of Presiding Member

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Signature of Principal

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Date:

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Date:

# St Johns College Hillcrest

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	7,707,052	7,457,545	7,343,342
Locally Raised Funds	3	896,813	523,000	1,009,988
Use of Proprietor's Land and Buildings		979,500	980,000	1,567,200
Interest Income		13,366	25,000	26,980
Gain on Sale of Property, Plant and Equipment		3,212	-	-
International Students	4	101,639	102,640	173,504
		<u>9,701,582</u>	<u>9,088,185</u>	<u>10,121,014</u>
<b>Expenses</b>				
Locally Raised Funds	3	390,134	89,800	412,692
International Students	4	77,956	94,220	174,051
Learning Resources	5	6,402,240	6,417,900	6,204,112
Administration	6	859,857	826,515	516,080
Finance		6,088	27,300	8,257
Property	7	1,440,280	1,434,000	2,089,378
Depreciation	12	331,413	215,000	306,078
Depreciation Equitable Lease		13,872	-	13,872
Loss on Disposal of Property, Plant and Equipment		2,843	-	1,479
		<u>9,524,683</u>	<u>9,104,735</u>	<u>9,725,999</u>
<b>Net Surplus / (Deficit) for the year</b>		176,899	(16,550)	395,015
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>176,899</u></u>	<u><u>(16,550)</u></u>	<u><u>395,015</u></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.

# St Johns College Hillcrest

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>		2,164,798	2,164,798	1,740,519
Total comprehensive revenue and expense for the year		176,899	(16,550)	395,015
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		32,269	30,000	29,264
<b>Equity at 31 December</b>		2,373,966	2,178,248	2,164,798
Retained Earnings		2,373,966	2,178,248	2,164,799
<b>Equity at 31 December</b>		2,373,966	2,178,248	2,164,798

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 Johns College Hillcrest

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	400,500	399,923	763,471
Accounts Receivable	9	534,599	524,500	501,963
GST Receivable		45,058	40,900	54,060
Prepayments		96,231	90,000	68,345
Inventories	10	2,828	3,500	-
Investments	11	1,050,000	950,000	600,000
		<u>2,129,216</u>	<u>2,008,823</u>	<u>1,987,839</u>
<b>Current Liabilities</b>				
Accounts Payable	13	745,026	759,550	608,967
Borrowings	14	27,299	30,000	27,299
Revenue Received in Advance	15	122,916	126,000	226,609
Provision for Cyclical Maintenance	16	190,440	195,000	102,200
Finance Lease Liability	17	38,152	38,000	39,880
Funds held in Trust	18	42,451	44,500	85,885
		<u>1,166,284</u>	<u>1,193,050</u>	<u>1,090,840</u>
<b>Working Capital Surplus/(Deficit)</b>		962,932	815,773	896,999
<b>Non-current Assets</b>				
Equitable Lease Liability	19	88,682	88,700	102,554
Property, Plant and Equipment	12	1,424,275	1,424,275	1,398,012
		<u>1,512,957</u>	<u>1,512,975</u>	<u>1,500,566</u>
<b>Non-current Liabilities</b>				
Borrowings	14	75,071	80,000	102,369
Provision for Cyclical Maintenance	16	14,440	15,000	93,020
Finance Lease Liability	17	12,412	14,000	37,378
		<u>101,923</u>	<u>109,000</u>	<u>232,767</u>
<b>Net Assets</b>		<u>2,373,966</u>	<u>2,219,748</u>	<u>2,164,798</u>
<b>Equity</b>		<u>2,373,966</u>	<u>2,178,248</u>	<u>2,164,798</u>

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

# St Johns College Hillcrest

## Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,994,242	2,287,234	2,075,494
Locally Raised Funds		862,455	507,000	659,377
International Students		46,103	38,640	93,480
Goods and Services Tax (net)		9,002	4,100	(43,308)
Payments to Employees		(1,044,582)	(976,035)	(1,040,384)
Payments to Suppliers		(1,443,741)	(1,138,050)	(1,309,950)
Interest Paid		(6,088)	(27,300)	(8,257)
Interest Received		12,034	24,000	29,185
Net cash from/(to) Operating Activities		429,425	719,589	455,637
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		369	40,743	-
Purchase of Property Plant & Equipment (and Intangibles)		(281,250)	(347,160)	(810,934)
Purchase of Investments		(250,000)	(150,000)	-
Proceeds from Sale of Investments		-	22,000	204,621
Net cash from/(to) Investing Activities		(530,881)	(434,417)	(606,313)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		32,269	32,500	29,264
Finance Lease Payments		(23,052)	(163,858)	(24,311)
Loans Received/ Repayment of Loans		(27,298)	(20,000)	129,668
Funds Administered on Behalf of Third Parties		(43,434)	(45,500)	-
Net cash from/(to) Financing Activities		(61,515)	(196,858)	134,621
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(162,971)</b>	<b>88,314</b>	<b>(16,055)</b>
Cash and cash equivalents at the beginning of the year	8	563,471	311,609	579,526
<b>Cash and cash equivalents at the end of the year</b>	8	<b>400,500</b>	<b>399,923</b>	<b>563,471</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 Johns College Hillcrest

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

St Johns College Hillcrest (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 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 16.

###### **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.

### **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) 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.

### **e) 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.

### **f) 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.

### **g) 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.

### **h) 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.

### **i) Property, Plant and Equipment**

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

Improvements to buildings owned by the Proprietor are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

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

#### ***Finance Leases***

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

#### ***Depreciation***

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–40 years
Furniture and equipment	5–20 years
Information and communication technology	at 30% CP
Motor vehicles	at 10% CP
Textbooks	12.5% Diminishing value
Leased assets held under a Finance Lease	Term of Lease from 3 years
Library resources	12.5% Diminishing value

#### **j) 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.

#### **k) 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.

#### **l) Employee Entitlements**

##### *Short-term employee entitlements*

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

#### **m) Revenue Received in Advance**

Revenue received in advance relates to fees received from international 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.

#### **n) 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.

#### **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, 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, finance lease liability, and painting contract 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) 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.

**r) 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.

**s) Budget Figures**

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

**u) Services received in-kind**

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

## 2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	1,852,962	1,734,825	1,609,785
Teachers' Salaries Grants	5,638,843	5,640,000	5,241,054
Other MoE Grants	151,738	26,720	405,566
Other Government Grants	63,509	56,000	86,937
	<u>7,707,052</u>	<u>7,457,545</u>	<u>7,343,342</u>

The school has not opted in to the donations scheme for this year.

## 3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
Donations & Bequests	333,181	309,000	303,583
Fees for Extra Curricular Activities	108,409	104,000	217,407
Trading	21,014	40,000	38,800
Fundraising & Community Grants	101,022	-	159,116
Other Revenue	333,187	70,000	291,082
	<u>896,813</u>	<u>523,000</u>	<u>1,009,988</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	87,608	39,800	145,386
Trading	40,444	40,000	48,816
Other Locally Raised Funds Expenditure	262,082	10,000	218,490
	<u>390,134</u>	<u>89,800</u>	<u>412,692</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>506,679</u>	<u>433,200</u>	<u>597,296</u>

## 4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	9	8	15
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
International Student Fees	101,639	102,640	173,504
<b>Expenses</b>			
Commissions	10,515	10,000	12,711
Employee Benefit - Salaries	47,066	59,120	112,823
Other Expenses	13,388	18,100	38,363
International Student Levy	6,987	7,000	10,154
	<u>77,956</u>	<u>94,220</u>	<u>174,051</u>
<i>Surplus/ (Deficit) for the year International Students</i>	<u>23,683</u>	<u>8,420</u>	<u>(547)</u>

## 5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	273,322	314,200	259,542
Information and Communication Technology	27,351	22,800	117,472
Employee Benefits - Salaries	6,066,870	6,028,900	5,795,383
Staff Development	34,697	52,000	31,715
	<u>6,402,240</u>	<u>6,417,900</u>	<u>6,204,112</u>

## 6. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	6,136	6,500	6,740
Board Fees	6,345	7,000	5,961
Board Expenses	13,753	8,500	11,202
Communication	16,254	10,000	11,000
Consumables	40,749	44,500	48,057
Operating Lease	10,313	39,000	369
Other	129,059	108,000	89,303
Employee Benefits - Salaries	611,342	573,015	315,225
Insurance	17,306	19,000	18,863
Service Providers, Contractors and Consultancy	8,600	11,000	9,360
	<u>859,857</u>	<u>826,515</u>	<u>516,080</u>

## 7. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	9,005	7,500	12,643
Consultancy and Contract Services	185,159	175,000	167,836
Cyclical Maintenance Provision	17,700	29,000	21,752
Grounds	41,579	38,000	41,144
Heat, Light and Water	109,750	92,000	112,788
Rates	19,855	17,000	16,922
Repairs and Maintenance	73,630	89,500	74,927
Use of Land and Buildings	979,500	980,000	1,567,200
Security	4,080	6,000	9,225
Employee Benefits - Salaries	22	-	64,941
	<u>1,440,280</u>	<u>1,434,000</u>	<u>2,089,378</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 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	96,865	113,923	260,790
Bank Call Account	103,635	286,000	302,681
Short Term Bank Deposits	200,000	-	200,000
Cash and cash equivalents for Statement of Cash Flows	<u>400,500</u>	<u>399,923</u>	<u>763,471</u>

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

## 9. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	28,402	26,000	57,291
Receivables from the Ministry of Education	7,567	-	-
Interest Receivable	3,233	3,000	1,901
Banking Staffing Underuse	-	-	2,444
Teacher Salaries Grant Receivable	495,397	495,500	440,327
	<u>534,599</u>	<u>524,500</u>	<u>501,963</u>
Receivables from Exchange Transactions	31,635	29,000	59,192
Receivables from Non-Exchange Transactions	502,964	495,500	442,771
	<u>534,599</u>	<u>524,500</u>	<u>501,963</u>

## 10. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
School Uniforms	2,828	3,500	-
	<u>2,828</u>	<u>3,500</u>	<u>-</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	1,050,000	950,000	600,000
Total Investments	<u>1,050,000</u>	<u>950,000</u>	<u>600,000</u>

## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	194,844	24,451			(18,442)	<b>200,853</b>
Furniture and Equipment	696,215	97,600	(2,179)		(107,741)	<b>683,895</b>
Information and Communication Technology	282,030	165,435			(140,330)	<b>307,135</b>
Motor Vehicles	70,008	52,000			(12,271)	<b>109,737</b>
Textbooks	44,329	1,095			(5,623)	<b>39,801</b>
Leased Assets	70,859	15,049			(41,512)	<b>44,396</b>
Library Resources	39,727	7,069	(2,844)		(5,494)	<b>38,458</b>
<b>Balance at 31 December 2021</b>	<b>1,398,012</b>	<b>362,699</b>	<b>(5,023)</b>	<b>-</b>	<b>(331,413)</b>	<b>1,424,275</b>

The net carrying value of equipment held under a finance lease is **\$44,396 (2020: \$70,859)**

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	250,272	(49,419)	<b>200,853</b>	229,983	(35,139)	<b>194,844</b>
Furniture and Equipment	1,242,473	(558,578)	<b>683,895</b>	1,171,730	(475,515)	<b>696,215</b>
Information and Communication T	686,054	(378,919)	<b>307,135</b>	565,624	(283,594)	<b>282,030</b>
Motor Vehicles	158,050	(48,313)	<b>109,737</b>	155,437	(85,429)	<b>70,008</b>
Textbooks	76,294	(36,493)	<b>39,801</b>	75,199	(30,870)	<b>44,329</b>
Leased Assets	138,858	(94,462)	<b>44,396</b>	142,500	(71,641)	<b>70,859</b>
Library Resources	110,973	(72,515)	<b>38,458</b>	111,915	(72,188)	<b>39,727</b>
<b>Balance at 31 December</b>	<b>2,662,974</b>	<b>(1,238,699)</b>	<b>1,424,275</b>	<b>2,452,388</b>	<b>(1,054,376)</b>	<b>1,398,012</b>

## 13. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	180,251	187,050	141,408
Accruals	10,920	12,000	10,649
Employee Entitlements - Salaries	532,712	535,500	423,744
Employee Entitlements - Leave Accrual	21,143	25,000	33,166
	<b>745,026</b>	<b>759,550</b>	<b>608,967</b>
Payables for Exchange Transactions	745,026	759,550	608,967
	<b>745,026</b>	<b>759,550</b>	<b>608,967</b>

The carrying value of payables approximates their fair value.



#### 14. Borrowings

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Loans due in one year	27,299	30,000	27,299
Loans due after one year	75,071	80,000	102,369
	<u>102,370</u>	<u>110,000</u>	<u>129,668</u>

The school has borrowings at 31 December 2021 of \$102,370 (31 December 2020 \$129,668). This loan is from EECA for the purpose of installing LED lighting. The loan is interest free with 20 repayment instalments of \$6,825.

#### 15. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
International Student Fees in Advance	40,279	41,000	95,815
Other revenue in Advance	82,637	85,000	130,794
	<u>122,916</u>	<u>126,000</u>	<u>226,609</u>

#### 16. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	195,220	195,220	196,660
Increase/ (decrease) to the Provision During the Year	17,700	29,000	21,480
Use of the Provision During the Year	(8,040)	(14,220)	(22,920)
Provision at the End of the Year	<u>204,880</u>	<u>210,000</u>	<u>195,220</u>
Cyclical Maintenance - Current	190,440	195,000	102,200
Cyclical Maintenance - Term	14,440	15,000	93,020
	<u>204,880</u>	<u>210,000</u>	<u>195,220</u>

## 17. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	39,234	40,000	44,885
Later than One Year and no Later than Five Years	15,139	16,000	40,460
Future Finance Charges	(3,809)	(4,000)	(8,087)
	<u>50,564</u>	<u>52,000</u>	<u>77,258</u>
<b>Represented by</b>			
Finance lease liability - Current	38,152	40,000	39,880
Finance lease liability - Term	12,412	12,000	37,378
	<u>50,564</u>	<u>52,000</u>	<u>77,258</u>

## 18. Funds held in Trust

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	42,451	44,500	85,885
	<u>42,451</u>	<u>44,500</u>	<u>85,885</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.

## 19. 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 prepared between the board and the proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. These equitable leasehold interests are amortised over a period of 19 and 21 years, based on the economic life of the capital works assets involved.

The interest may be realised on the sale of the capital works assets by the proprietor or the closure of the school.

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

Asset	NBV at 31 December	
	2021 \$	2020 \$
Gymnasium Upgrade	21,045	25,255
Tennis & Hockey Centre, Function Centre	67,637	77,299
	<u>88,682</u>	<u>102,554</u>

## 20. Related Party Transactions

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

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

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

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(c). 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'.

The following transactions occur

1. The Proprietor provides land and buildings free of charge for use by the Board as noted in the Statement of Accounting Policies. The estimated value of this use during 2021 is \$979,500 which is included in the Revenue Statement as "Use of Land & Buildings."
2. The Proprietor provides religious instruction to pupils of the School. This service is provided free of charge in accordance with the Education and Training Act 2020.
3. Under an agency agreement the Board collected attendance dues for international students and voluntary financial contributions on behalf of the Proprietor. This service was provided free of charge. During the 2021 year the Board collected \$185,258 on behalf of the Proprietor(2020:\$166,657). These do not represent revenue in the financial statements of the school. Any balance not treated at year end is treated as a liability. \$17,320 is held on behalf of the proprietor at year end (2020:\$15,002).
4. Saint John's College (Hillcrest) Foundation Trust is a related party. Shane Tong, Principal, is an officer of the Trust. During 2021 the school received \$10,177 for sponsorships. \$4,000 is receivable from the Trust for a scholarship grant. The 2020 equivalent was \$4,000.
5. During 2021 the Hamilton Catholic Development Fund held funds on behalf of the Board. At 31 December 2021 the amount held by the Proprietor was \$200,000 with an interest rate of 1.40%. Interest earned during the year was \$2,800.(2020: \$200,000; interest earned \$4,300)  
The Hamilton Catholic Development Fund is a Ministry of Education approved investment.
6. The Proprietor charges a levy on international students. In 2021 the Board paid \$7,703 to the Proprietor for International student levies.
7. The Board had no reimbursement by the Proprietor for capital works done on behalf of the Proprietor.(2020: \$24,060)

## 21. Remuneration

### *Key management personnel compensation*

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

	<b>2021 Actual \$</b>	<b>2020 Actual \$</b>
<i>Board Members</i> Remuneration	6,345	5,961
<i>Leadership Team</i> Remuneration Full-time equivalent members	543,007 4	537,196 4
Total key management personnel remuneration	549,352	543,157

There are eleven members of the Board excluding the Principal. The Board had held ten full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### *Principal*

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

	<b>2021 Actual \$000</b>	<b>2020 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments		
Benefits and Other Emoluments	170-180	170-180
Termination Benefits	0-5	0-5

### *Other Employees*

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

<b>Remuneration \$000</b>	<b>2021 FTE Number</b>	<b>2020 FTE Number</b>
100-110	11.00	11.00
110-120	5.00	1.00
120-130	3.00	0.00
130-140	1.00	1.00
	20.00	13.00

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

## 22. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be board members, committee members, 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:

	<b>2021 Actual</b>	<b>2020 Actual</b>
Total	-	-
Number of People	-	-

## 23. 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.

## 24. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has no capital commitments(2020: Nil):

### (b) Operating Commitments

As at 31 December 2021 the Board has no capital commitments(2020: Nil):

## 25. Financial Instruments

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

### Financial assets measured at amortised cost

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	400,500	399,923	763,471
Receivables	534,599	524,500	501,963
Investments - Term Deposits	1,050,000	950,000	600,000
Total Financial assets measured at amortised cost	<u>1,985,099</u>	<u>1,874,423</u>	<u>1,865,434</u>

### Financial liabilities measured at amortised cost

Payables	745,026	759,550	608,967
Borrowings - Loans	102,370	110,000	129,668
Finance Leases	50,564	52,000	77,258
Total Financial Liabilities Measured at Amortised Cost	<u>897,960</u>	<u>921,550</u>	<u>815,893</u>

## **26. Events After Balance Date**

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

## **27. Comparatives**

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

## **28. COVID 19 Pandemic on going implications**

### **Impact of Covid-19**

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

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

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

### **Impact on operations**

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

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

### **Reduction in locally raised funds**

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

### **Increased Remote learning additional costs**

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

### **Reduction in International students**

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

# **ST JOHNS COLLEGE HILLCREST**

## **Kiwisport Statement**

### **For the Year Ended 31 December 2021**

In 2021 the school received Kiwisport funding of \$20,686(2020:\$20,260)

The funding was applied towards the wages of a Sports manager who works to promote sport to the students,to lead the delivery of a comprehensive sports programme offering a wide variety of opportunities for students.