

KERIKERI HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 5

Principal: Elizabeth Forgie

School Address: Hone Heke Road, Kerikeri

School Postal Address: PO Box 92, Kerikeri

School Phone: 09 407 8916

School Email: enquiries@kerikerihigh.ac.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Sue Richards	Chair Person	Re-elected May 2019	May 2022
Elizabeth Forgie	Principal	May 1993	
Haylee Rhodes	Parent Rep	Elected October 2020	May 2022
Chris McLellan	Parent Rep	Re-elected May 2019	May 2022
Wendy Butler	Parent Rep	Re-elected May 2019	May 2022
Roger Ludbrook	Parent Rep	Re-elected May 2019	May 2022
Mario Hohaia	Parent Rep	Re-elected May 2019	May 2022
Emma Wise	Staff Rep	Re-elected May 2019	May 2022
Mike Clent	Board Secretary	Acting, elected Feb 2022	May 2022
Axel Mabidikama	Student Representative	Elected May 2021	December 2021

Accountant: BDO Northland Limited

KERIKERI HIGH SCHOOL

Annual Report - For the year ended 31 December 2021

Index

Page	Statement
	Financial Statements
<u>1</u>	Statement of Responsibility
<u>2</u>	Statement of Comprehensive Revenue and Expense
<u>3</u>	Statement of Changes in Net Assets/Equity
<u>4</u>	Statement of Financial Position
<u>5</u>	Statement of Cash Flows
<u>6 - 21</u>	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Kerikeri 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.

Sue Richards



Signature of Presiding Member

12/7/2022

Date:

Elizabeth Forgie



Signature of Principal

12/7/2022

Date:

Kerikeri High School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	15,695,685	15,350,854	15,327,194
Locally Raised Funds	3	447,224	114,950	358,416
Interest Income		3,686	15,750	12,767
Gain on Sale of Property, Plant and Equipment		574	-	-
International Students	4	125,569	273,500	812,604
Other Revenue		-	-	5,846
		<u>16,272,738</u>	<u>15,755,054</u>	<u>16,516,827</u>
Expenses				
Locally Raised Funds	3	536,845	436,599	546,052
International Students	4	122,056	257,500	565,976
Learning Resources	5	10,891,303	10,569,991	10,684,289
Administration	6	519,617	525,500	463,103
Finance		12,989	-	8,225
Property	7	2,915,089	3,333,501	3,198,331
Depreciation	11	350,468	-	336,918
Loss on Disposal of Property, Plant and Equipment		10,019	-	17,168
Amortisation of Intangible Assets	12	12	-	16
Transport		593,416	573,963	583,999
		<u>15,951,814</u>	<u>15,697,054</u>	<u>16,404,077</u>
Net Surplus / (Deficit) for the year		320,924	58,000	112,750
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>320,924</u>	<u>58,000</u>	<u>112,750</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.

Kerikeri 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		725,302	725,303	528,890
Total comprehensive revenue and expense for the year		320,924	58,000	112,750
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	83,662
Equity at 31 December		1,046,226	783,303	725,302
Retained Earnings		1,046,226	783,303	725,302
Equity at 31 December		1,046,226	783,303	725,302

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.

Kerikeri 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	700,857	400,390	289,702
Accounts Receivable	9	796,429	600,500	689,460
GST Receivable		67,601	25,000	74,251
Prepayments		48,470	23,000	23,393
Investments	10	260,668	261,397	400,148
		1,874,025	1,310,287	1,476,954
Current Liabilities				
Accounts Payable	13	1,203,375	664,670	871,088
Borrowings	14	47,780	-	-
Revenue Received in Advance	15	179,762	260,777	325,358
Provision for Cyclical Maintenance	16	71,750	143,250	110,000
Finance Lease Liability	17	116,911	90,801	113,594
Funds held in Trust	18	28,062	175,000	83,655
Funds held for Capital Works Projects	19	83,510	(111,446)	109,543
Funds held on behalf of Kerikeri Schools Transport Network	20	68,381	60,000	62,371
		1,799,531	1,283,052	1,675,609
Working Capital Surplus/(Deficit)		74,494	27,235	(198,655)
Non-current Assets				
Property, Plant and Equipment	11	1,628,709	1,259,137	1,481,607
Intangible Assets	12	35	48	47
		1,628,744	1,259,185	1,481,654
Non-current Liabilities				
Borrowings	14	209,247	-	-
Provision for Cyclical Maintenance	16	304,900	307,400	365,100
Finance Lease Liability	17	142,865	193,717	192,595
		657,012	501,117	557,695
Net Assets		1,046,226	785,303	725,302
Equity		1,046,226	783,303	725,302

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



Signature of Presiding Member

12/7/2022

Date:



Signature of Principal

12/7/2022

Date:

Kerikeri High School

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		4,722,812	5,108,506	4,454,653
Locally Raised Funds		370,994	(441,773)	543,152
International Students		32,976	491,000	261,768
Goods and Services Tax (net)		6,654	(25,000)	(64,520)
Payments to Employees		(2,138,976)	(1,825,305)	(2,476,040)
Payments to Suppliers		(2,343,489)	(1,814,777)	(2,735,005)
Interest Paid		(12,989)	-	(8,225)
Interest Received		3,716	15,250	15,458
Net cash from/(to) Operating Activities		641,698	1,507,901	(8,759)
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(2,188)	173,284	(9,911)
Purchase of Property Plant & Equipment (and Intangibles)		(507,401)	(1,004,764)	(268,421)
Purchase of Investments		139,480	(261,397)	47,722
Net cash from/(to) Investing Activities		(370,109)	(1,092,877)	(230,610)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	83,662
Finance Lease Payments		(41,843)	(138,187)	(9,627)
Funds Administered on Behalf of Third Parties		(159,128)	123,553	(427,818)
Funds Held for Capital Works Projects		83,510		109,543
Net cash from/(to) Financing Activities		139,566	(14,634)	(244,240)
Net increase/(decrease) in cash and cash equivalents		411,155	400,390	(483,609)
Cash and cash equivalents at the beginning of the year	8	289,702	-	773,311
Cash and cash equivalents at the end of the year	8	700,857	400,390	289,702

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.

Kerikeri High School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Kerikeri 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.

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 11.

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 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.

For Integrated Groups this note should also include the following:

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.

c) 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.

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) 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.

h) 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	25 years
Furniture and equipment	5-20 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

i) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

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.

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

m) Revenue Received In Advance

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

The School holds sufficient funds to enable the refund of unearned fees 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) 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.

p) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

q) 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.

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.

t) 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.

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	3,244,985	3,188,319	3,127,754
Teachers' Salaries Grants	8,767,494	8,401,395	8,306,285
Use of Land and Buildings Grants	2,205,379	2,566,256	2,566,256
Other MoE Grants	676,684	447,850	564,120
Transport grants	606,189	573,963	592,084
Other Government Grants	194,954	173,071	170,695
	<u>15,695,685</u>	<u>15,350,854</u>	<u>15,327,194</u>

The school has opted in to the donations scheme for this year. Total amount received was \$231,150.

3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
Revenue	\$	\$	\$
Donations & Bequests	79,321	1,000	28,563
Fees for Extra Curricular Activities	285,463	60,000	233,098
Trading	64,173	41,450	38,059
Fundraising & Community Grants	38,267	12,500	58,696
	<u>447,224</u>	<u>114,950</u>	<u>358,416</u>
Expenses			
Extra Curricular Activities Costs	478,657	251,599	485,365
Trading	58,188	183,000	60,686
	<u>536,845</u>	<u>434,599</u>	<u>546,051</u>
Surplus/ (Deficit) for the year Locally raised funds	<u>(89,621)</u>	<u>(319,649)</u>	<u>(187,635)</u>

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	9	10	48
	2021 Actual	2021 Budget (Unaudited)	2020 Actual
Revenue	\$	\$	\$
International Student Fees	125,569	273,500	812,604
Expenses			
Advertising	4,505	5,000	20,552
Employee Benefit - Salaries	6,164	79,000	219,412
Other Expenses	111,387	173,500	326,012
	<u>122,056</u>	<u>257,500</u>	<u>565,976</u>
Surplus/ (Deficit) for the year International Students	<u>3,513</u>	<u>16,000</u>	<u>246,628</u>

5. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	377,954	537,521	484,401
Resource/attached teacher costs	35,806	166,765	39,818
Library Resources	62,427	61,000	61,811
Employee Benefits - Salaries	10,365,200	9,756,555	10,081,183
Staff Development	49,916	48,150	17,076
	<u>10,891,303</u>	<u>10,569,991</u>	<u>10,684,289</u>

6. Administration

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Accounting Fee	9,013	8,000	8,013
Audit Fee	9,641	9,000	9,000
Board Fees	3,956	4,500	3,900
Board Expenses	2,037	6,000	2,608
Communication	23,213	34,500	25,878
Consumables	6,228	11,500	4,340
Legal Fees	9,663	5,000	2,626
Other	58,497	72,000	51,240
Employee Benefits - Salaries	381,943	380,000	337,608
Insurance	15,429	15,000	17,892
	<u>519,617</u>	<u>525,500</u>	<u>463,103</u>

7. Property

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	300,391	296,600	286,505
Cyclical Maintenance Provision	(58,334)	3,000	(167,600)
Grounds	29,835	46,000	21,794
Heat, Light and Water	139,283	157,000	149,150
Other	2,526	-	12,000
Rates	31,404	-	26,109
Repairs and Maintenance	81,553	215,000	132,129
Use of Land and Buildings	2,205,379	2,566,256	2,566,256
Security	21,280	18,500	18,526
Employee Benefits - Salaries	161,772	31,145	153,462
	<u>2,915,089</u>	<u>3,333,501</u>	<u>3,198,331</u>

The use of land and buildings figure represents 5% of the school's total property value. 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
	\$	\$	\$
Cash on Hand	390	390	390
Short-term Bank Deposits	700,467	400,000	289,312
Cash and cash equivalents for Statement of Cash Flows	<u>700,857</u>	<u>400,390</u>	<u>289,702</u>

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

Of the \$700,857 Cash and Cash Equivalents, \$68,381 is held by the School on behalf of the Kerikeri School Transport Networks, \$28,062 is held by the school on behalf of International Students - Homestay and Insurance and \$168,155 is held on behalf of Ministry of Education for Capital Works.

9. Accounts Receivable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Receivables	62,195	600,000	38,968
Interest Receivable	350	500	380
Teacher Salaries Grant Receivable	733,884	-	650,112
	<u>796,429</u>	<u>600,500</u>	<u>689,460</u>
Receivables from Exchange Transactions	62,545	600,500	39,348
Receivables from Non-Exchange Transactions	733,884	-	650,112
	<u>796,429</u>	<u>600,500</u>	<u>689,460</u>

10. Investments

The School's investment activities are classified as follows:

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	260,548	261,277	400,028
Shares in Unlisted Companies	120	120	120
Total Investments	<u>260,668</u>	<u>261,397</u>	<u>400,148</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Land	3,708				(452)	3,256
Buildings	558,820	259,900			(58,777)	759,943
Furniture and Equipment	416,311	91,888	(2,945)		(101,868)	403,386
Information and Communication Technology	168,700	73,732	(5,157)		(68,689)	168,586
Motor Vehicles	3,296				(732)	2,564
Leased Assets	305,641	75,265			(116,198)	264,708
Library Resources	25,131	8,837	(3,950)		(3,752)	26,266
Balance at 31 December 2021	<u>1,481,607</u>	<u>509,622</u>	<u>(12,052)</u>	<u>-</u>	<u>(350,468)</u>	<u>1,628,709</u>

The net carrying value of equipment held under a finance lease is \$264,707 (2020: \$305,641)

11. Property, Plant and Equipment continued.

	2021	2021	2021	2020	2020	2020
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Land	11,291	-	11,291	11,291	(7,583)	3,708
Buildings	1,677,161	(925,250)	751,911	1,417,261	(858,438)	558,823
Furniture and Equipment	1,583,819	(1,180,429)	403,390	1,499,726	(1,083,415)	416,311
Information and Communication T	699,157	(530,573)	168,584	635,710	(467,011)	168,699
Motor Vehicles	173,284	(170,722)	2,562	173,284	(169,989)	3,295
Leased Assets	418,136	(153,431)	264,705	422,706	(117,066)	305,640
Library Resources	38,653	(12,387)	26,266	39,181	(14,050)	25,131
Balance at 31 December	4,601,501	(2,972,792)	1,628,709	4,199,159	(2,717,552)	1,481,607

12. Intangible Assets

The School's Intangible Assets are made up of acquired computer software.

	Acquired software	Internally generated software	Total \$
Cost			
Balance at 1 January 2020	-	-	-
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2020 / 1 January 2021	-	-	44,035
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2021	-	-	44,035
Accumulated Amortisation and Impairment losses			
Balance at 1 January 2020	-	-	-
Amortisation expense	-	-	-
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2020 / 1 January 2021	-	-	43,988
Amortisation expense	-	-	-
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2021	-	-	44,000
Carrying amounts			
At 1 January 2020	-	-	-
At 31 December 2020 / 1 January 2021	-	-	47
At 31 December 2021	-	-	35

Restrictions

There are no restrictions over the title of the school's Intangible assets, nor are any Intangible assets pledged as security for liabilities.

Capital commitments

The amount of contractual commitments for the acquisition of Intangible assets is \$nil (2020: \$nil)

13. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	407,804	664,671	167,898
Employee Entitlements - Salaries	733,884	-	650,112
Employee Entitlements - Leave Accrual	61,687	-	53,078
	<u>1,203,375</u>	<u>664,671</u>	<u>871,088</u>

Payables for Exchange Transactions	1,203,375	664,671	871,088
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	<u>1,203,375</u>	<u>664,671</u>	<u>871,088</u>
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The carrying value of payables approximates their fair value.

14. Borrowings

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Loans due in one year	47,780	-	-
Loans due after one year	209,247	-	-
	<u>257,027</u>	<u>-</u>	<u>-</u>

The school has borrowings at 31 December 2021 of \$257,027 (31 December 2020 \$0). This loan is from the ASB Bank for the purpose of installing solar panels. The loan is unsecured, interest is 4.29% per annum and the loan is payable with interest in equal instalments of \$4,823.

15. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
International Student Fees in Advance	45,761	217,500	138,354
Other revenue in Advance	134,001	43,277	187,004
	<u>179,762</u>	<u>260,777</u>	<u>325,358</u>

16. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	475,100	475,100	642,700
Increase/ (decrease) to the Provision During the Year	(57,811)	3,000	(167,600)
Use of the Provision During the Year	(40,839)	-	-
Provision at the End of the Year	<u>376,650</u>	<u>478,100</u>	<u>475,100</u>
Cyclical Maintenance - Current	71,750	143,250	110,000
Cyclical Maintenance - Term	304,900	307,400	365,100
	<u>376,650</u>	<u>450,650</u>	<u>475,100</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	116,911	90,801	113,594
Later than One Year and no Later than Five Years	142,865	193,717	192,595
	<u>259,776</u>	<u>284,518</u>	<u>306,189</u>
Represented by			
Finance lease liability - Current	94,168	90,801	113,594
Finance lease liability - Term	165,608	193,717	192,595
	<u>259,776</u>	<u>284,518</u>	<u>306,189</u>

18. Funds held in Trust

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	28,062	175,000	83,655
	<u>28,062</u>	<u>175,000</u>	<u>83,655</u>

These funds are held in trust for international students Homestay and Insurance. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

19. 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
	\$	\$	\$	\$	\$
Water Tanks 2020	29,794	-	(29,794)	-	-
Fire Toilets 2020	(18,132)	27,000	4,210	-	13,078
Fire Toilets Demolition	(14,450)	14,625	(800)	-	(625)
Fire 2020 Remedial	(7,000)	108,110	(107,673)	-	(6,563)
Car Park Resealing	119,331	-	(114,561)	-	4,770
Fire 2021 Rebuild Toilets	-	-	(19,020)	-	(19,020)
Heat Pump Replacements 2021	-	31,500	(32,475)	-	(975)
Roofing & Toilets 2021	-	-	(32,525)	-	(32,525)
Auditorium 2021	-	114,579	(1,809)	-	112,770
Electrical Infrastructure Upgrade 2021	-	12,600	-	-	12,600
Totals	<u>109,543</u>	<u>308,414</u>	<u>(334,447)</u>	<u>-</u>	<u>83,510</u>

Represented by:

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

135,680
52,170

83,510

2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Water Tanks 2020	<i>in progress</i> -	92,531	(62,737)	-	29,794
Fire Toilets 2020	<i>in progress</i> -	-	(18,132)	-	(18,132)
Fire Toilets Demolition	<i>in progress</i> -	-	(14,450)	-	(14,450)
Fire 2020 Remedial	<i>in progress</i> -	-	(7,000)	-	(7,000)
Car Park Resealing	<i>in progress</i> -	119,331	-	-	119,331
Totals	<u>-</u>	<u>211,862</u>	<u>(102,319)</u>	<u>-</u>	<u>109,543</u>

20. Funds Held on Behalf of Kerikeri Schools Transport Network (KSTN)

Kerikeri High School is the lead school funded by the Ministry of Education to provide the services of Kerikeri Schools Transport Network. It is the transport network for Kerikeri High School, Kerikeri Primary School, Riverview Primary School and Oromahoe Primary School. Kerikeri High School took over administration of the network on 1st May 2009.

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held at Beginning of the Year	139,051	-	127,161
Funds Received from MoE	891,273	-	870,250
Other Revenue	182	-	461
Total funds received	891,455	-	870,711
Distribution of Funds			
Kerikeri High School	593,416	-	583,998
Kerikeri Primary School	104,721	-	103,059
Riverview Primary School	139,627	-	137,411
Oromahoe Primary School	34,907	-	34,353
	872,671		858,821
Funds Held at Year End	157,835	60,000	139,051

2021 Represented by:	2020 Balance Brought	Share of Income	Share of Expenditure	Balance of KSTN Funds	KSTN Funds Held in Trust
Kerikeri High School	76,678	606,189	593,416	89,451	0
Kerikeri Primary School	32,499	106,975	104,721	34,753	34,753
Riverview Primary School	23,621	142,633	139,627	26,626	26,626
Oromahoe Primary School	6,251	35,658	34,907	7,002	7,002
	139,049	891,455	872,670	157,835	68,381

KSTN Funds Held in Trust as at 31 December 2021

68,381

2020 Represented by:	2019 Balance Brought	Share of Income	Share of Expenditure	Balance of KSTN Funds	KSTN Funds Held in Trust
Kerikeri High School	68,593	592,084	583,998	76,678	0
Kerikeri Primary School	31,072	104,485	103,059	32,499	32,499
Riverview Primary School	21,719	139,314	137,411	23,621	23,621
Oromahoe Primary School	5,775	34,828	34,353	6,251	6,251
	127,159	870,711	858,821	139,049	62,371

KSTN Funds Held in Trust as at 31 December 2020

62,371

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 Board members, Principal, Deputy Principals and Heads of Departments.

	2021 Actual \$	2020 Actual \$
Board Members		
Remuneration	3,955	3,900
Leadership Team		
Remuneration	3,671,005	3,565,967
Full-time equivalent members	34	34
Total key management personnel remuneration	3,674,960	3,569,867

There are 9 members of the Board excluding the Principal. The Board had held 25 full meetings of the Board in the year. The Board also has Finance (3 members) and Property (3 members) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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	221-230	210-220
Benefits and Other Emoluments	31-35	25-30
Termination Benefits	-	-

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	18.00	10.00
110-120	2.00	1.00
120-130	0.00	0.00
130-140	0.00	3.00
140-150	2.00	1.00
150-160	0.00	0.00
160-170	1.00	0.00
	23.00	15.00

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 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:

	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 contract agreements for capital works as follows:

(a) Contract for water tanks - Completed.

(b) Contract for car park resealing, which will be fully funded by the Ministry and \$119,331 has been received of which \$114,561 has been spent on the project to balance date. Work Completed with Final Retentions to be paid to Contractor in July 2022.

(c) Contract for Fire Toilets Emergency Funds, which will be fully funded by the Ministry and \$27,000 has been received of which \$13,922 has been spent on the project to balance date. Work Completed with the balance of funds \$13,078 is due to be refunded back to the Ministry.

(d) Contract for Fire Demolition, which will be fully funded by the Ministry and \$14,625 has been received of which \$15,250 has been spent of the project to balance date. Work Completed with the difference of retentions to be paid by Ministry \$625.

(e) Contract for Fire Remedial which will be fully funded by the Ministry and \$108,109.83 has been received of which \$114,672 has been spent of the project to balance date. Work Completed with the difference of retentions still to be paid by Ministry \$6,563.

(f) Contract for Fire Rebuild which will be fully funded by the Ministry. \$19,019 has been spent of the project to balance date. Work still under action.

(g) Contract for Heat Pump Replacements which will be fully funded by the Ministry and \$31,500 has been received of which \$32,475 has been spent of the project to balance date. Work Completed with the difference of retentions still to be paid by Ministry \$975.

(h) Contract for Roofing and Toilets which will be fully funded by the Ministry of which \$32,525 has been spent on the project to balance date. Work still under action.

(i) Contract for Auditorium which will be fully funded by the Ministry and \$114,578 has been received of which \$1,809 has been spent of the project to balance date. Work still under action.

(j) Contract for electrical upgrade which will be fully funded by the Ministry and \$12,800 has been received with no expenditure spent to date.

(Capital commitments at 31 December 2020: (a) Contract for water tanks, which will be fully funded by the Ministry of Education. \$92,531 has been received of which \$62,737 has been spent on the project to date; and
(b) Contract for car park resealing, which will be fully funded by the Ministry and \$119,331 has been received of which none has been spent on the project to balance date. This project has been approved by the Ministry.)

(b) Operating Commitments

As at 31 December 2021 the Board has entered into the following contracts:

(a) operating lease of a EFTPOS Machine;

	2021 Actual \$	2020 Actual \$
No later than One Year	474	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>474</u>	<u>-</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 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	700,857	400,390	289,702
Receivables	796,429	600,500	689,460
Investments - Term Deposits	260,548	261,277	400,028
Total Financial assets measured at amortised cost	<u>1,757,834</u>	<u>1,262,167</u>	<u>1,379,190</u>

Financial liabilities measured at amortised cost

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Payables	1,203,375	664,671	871,088
Borrowings - Loans	257,027	-	-
Finance Leases	259,776	284,518	306,189
Total Financial Liabilities Measured at Amortised Cost	<u>1,720,178</u>	<u>949,189</u>	<u>1,177,277</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 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 of Education, even while closed.

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

Reduction in locally raised funds

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

Increased Remote learning additional costs

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

Reduction in International students

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

2021 Targets and Variances Report

Kerikeri High School
Student Improvement Targets
Annual Plan 2021

95% of NCEA Level One candidates to achieve the Literacy and Numeracy Standards

95% of Māori NCEA Level One candidates to achieve the Literacy and Numeracy Standards

2021 NCEA Literacy and Numeracy Results showed that

- 94.5% of NCEA Level One students at Kerikeri High School achieved Literacy
- 93.2% of NCEA Level One students at Kerikeri High School achieved Numeracy

Regarding Māori students

- 94.2% of NCEA Level One Māori students achieved Literacy
- 90.7% of NCEA Level One Māori students achieved Numeracy

In addition to this in 2021

- 93.2% of Male students sitting NCEA Level One achieved Literacy
- 94.9% of Male students sitting NCEA Level One achieved Numeracy

Analysis of Variance – Kiwisport – Report for the 2021 School Year

Kiwisport funding at Kerikeri High School is used to fund our Sports Coordinator and our Sports Assistant.

In 2021 our Sports Coordinator role was a full-time position, and our Sports Assistant role was a part time (30 hours a week) position.

The role of both these staff members is to offer and facilitate opportunities for all students in our school to participate in school-based sport and to represent the school in inter school competitions. We continue our practice of encouraging as much participation as possible in school-based sporting activities such as our school Swimming Sports, our school Cross Country and school Athletics events. Participation rates are high as a result of this. By way of example, our school Cross Country attracted 208 competitive entries. In 2021 we introduced a senior teams race and junior orienteering teams race with 212 Year 7 & 8 participants as a means to encourage more students to participate and be active. Bringing an element of fun and running with peers instead of racing against them.

Our school offers a wide range of sporting opportunities and consequently we participate in many different competitions. All students representing the school have to be entered electronically, have tracksuits and other gear issued, have accounts invoiced and collected, permission and consent forms produced, distributed and collected and gear maintained. Much of this administrative work is completed by both our Sports Coordinator and our Sports Assistant. In addition our Sports Coordinator promotes and publicises opportunities to be involved, subsequent results and students

Unfortunately Covid saw the cancellation of many regional events including Tournament Week, and AIMS Games. As a replacement, we offered Year 7-10 students an inter school programme offering fast 5, touch, volleyball and softball. Again the emphasis was taken away from competing against other schools to make teams of your peers, having fun, trying a new sport and enjoying a day out of class. These were well received with an average of 80 students from each year level participating..

We have an Honours Awards system whereby elite sporting achievement is recognised and celebrated; our Sports Coordinator and Sports Assistant play an important role in collating relevant data. We also offer students who represent the school the opportunity to purchase Sports Hoodies with their various sporting and other Cornerstone activities stitched on. Again, the Sports Department manage all of the administration around this.

The Sport section of the school website is maintained, and regularly updated with articles, results, and photos by the Sport Department. All of these initiatives encourage students to aspire, participate and be actively involved in sporting opportunities in the school and in interschool competitions.



Mike Clent

Associate Principal