

# WESTMINSTER CHRISTIAN SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

<b>Ministry Number:</b>	344
<b>Principal:</b>	Sandra Jacobs
<b>School Address:</b>	31 Westminster Gardens, Albany, 0632
<b>School Postal Address:</b>	P O Box 101-225, North Shore Mail Centre
<b>School Phone:</b>	09 444 1833
<b>School Email:</b>	admin@westminster.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Stephen Freymark	Presiding Member	Elected	Sept 2022
Sandra Jacobs	Principal ex Officio		
Andre Bay	Parent Rep	Elected	Sept 2022
Lanny Carroll	Parent Rep	Elected	Sept 2022
Sarah Hartley	Parent Rep	Elected	Sept 2022
Jamie Hunt	Parent Rep	Elected	Sept 2022
Dirk Hoek	Proprietors Rep	Elected	Sept 2022
Jacob Ploeg	Proprietors Rep	Elected	Sept 2022
Raymond Yeo	Proprietors Rep	Elected	Sept 2022
Richard Hoek	Proprietors Rep	Elected	Sept 2022
Carin Erasmus	Staff Rep	Appointed	Sept 2022

**Accountant / Service Provider:** Top Class Financial Management Services

# WESTMINSTER CHRISTIAN SCHOOL

Annual Report - For the year ended 31 December 2021

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# Westminster Christian School

## Statement of Responsibility

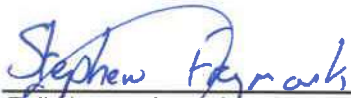
For the year ended 31 December 2021

The Board of Trustees 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.



Full Name of Presiding Member



Signature of Board Chairperson

18/10/22

Date:



Full Name of Principal



Signature of Principal

18/10/22

Date:

# Westminster Christian School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	2,402,548	2,075,645	2,150,310
Locally Raised Funds	3	405,063	403,676	342,709
Use of Proprietor's Land and Buildings		573,875	831,000	831,000
Interest income		49	300	140
Gain on Sale of Property, Plant and Equipment		76	-	-
International Students	4	11,074	14,200	43,201
		<u>3,392,685</u>	<u>3,324,821</u>	<u>3,367,360</u>
<b>Expenses</b>				
Locally Raised Funds	3	134,217	126,750	187,287
International Students	4	-	900	5,814
Learning Resources	5	2,450,877	2,029,042	2,016,238
Administration	6	191,112	173,507	175,881
Finance		1,248	870	1,539
Property	7	687,884	955,977	955,011
Depreciation	11	45,579	46,750	42,853
Loss on Disposal of Property, Plant and Equipment		-	-	10,045
		<u>3,510,917</u>	<u>3,333,796</u>	<u>3,394,668</u>
<b>Net Surplus / (Deficit) for the year</b>		(118,232)	(8,975)	(27,308)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(118,232)</u>	<u>(8,975)</u>	<u>(27,308)</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.

# Westminster Christian School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

Notes	Actual 2021 \$	Budget (Unaudited) 2021 \$	Actual 2020 \$
<b>Balance at 1 January</b>	36,022	36,022	53,070
Total comprehensive revenue and expense for the year	(118,232)	(8,975)	(27,308)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	11,385	-	10,260
<b>Equity at 31 December</b>	<b>(70,825)</b>	<b>27,047</b>	<b>36,022</b>
Retained Earnings	(70,825)	27,047	36,022
<b>Equity at 31 December</b>	<b>(70,825)</b>	<b>27,047</b>	<b>36,022</b>

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

# Westminster Christian School

## 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	23,519	36,881	31,589
Accounts Receivable	9	144,493	128,604	141,252
GST Receivable		-	6,465	6,465
Prepayments		9,359	17,139	17,139
Inventories	10	-	960	960
		<u>177,371</u>	<u>190,049</u>	<u>197,405</u>
<b>Current Liabilities</b>				
GST Payable		1,472	-	-
Accounts Payable	12	353,830	277,770	290,290
Revenue Received in Advance	13	21,929	20,015	25,754
Finance Lease Liability	14	7,740	7,500	7,213
		<u>384,971</u>	<u>305,285</u>	<u>323,257</u>
<b>Working Capital Surplus/(Deficit)</b>		(207,600)	(115,236)	(125,852)
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	141,175	146,683	168,433
		<u>141,175</u>	<u>146,683</u>	<u>168,433</u>
<b>Non-current Liabilities</b>				
Finance Lease Liability	14	4,400	4,400	6,559
		<u>4,400</u>	<u>4,400</u>	<u>6,559</u>
<b>Net Assets</b>		<u>(70,825)</u>	<u>27,047</u>	<u>36,022</u>
<b>Equity</b>		<u>(70,825)</u>	<u>27,047</u>	<u>36,022</u>

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

# Westminster Christian School Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		760,119	609,541	640,330
Locally Raised Funds		395,039	403,676	353,967
International Students		16,813	8,461	33,114
Goods and Services Tax (net)		7,937	-	13,448
Payments to Employees		(888,595)	(654,892)	(582,050)
Payments to Suppliers		(289,693)	(334,052)	(357,946)
Interest Paid		(1,248)	(870)	(1,539)
Interest Received		49	300	140
Net cash from Operating Activities		421	32,164	99,464
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		77	-	(10,045)
Purchase of Property Plant & Equipment (and Intangibles)		(15,789)	(25,000)	(93,972)
Net cash from / to Investing Activities		(15,712)	(25,000)	(104,017)
<b>Cash flows from Financing Activities</b>				
Furniture & Equipment Grant		11,385	-	10,260
Finance Lease Payments		(4,164)	(1,872)	56,674
Net cash from / to Financing Activities		7,221	(1,872)	66,934
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(8,070)</b>	<b>5,292</b>	<b>62,381</b>
Cash and cash equivalents at the beginning of the year	8	31,589	31,589	(30,792)
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>23,519</b>	<b>36,881</b>	<b>31,589</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.

# Westminster Christian School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### **a) Reporting Entity**

Westminster Christian 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 of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

##### **b) Basis of Preparation**

###### ***Reporting Period***

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

###### ***Basis of Preparation***

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

###### ***Financial Reporting Standards Applied***

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

###### ***PBE Accounting Standards Reduced Disclosure Regime***

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

###### ***Measurement Base***

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

###### ***Presentation Currency***

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

###### ***Specific Accounting Policies***

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

###### ***Critical Accounting Estimates And Assumptions***

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

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

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

The school 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 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 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 building. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

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

#### **Other Grants**

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

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

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

#### **Interest Revenue**

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

### **d) Operating Lease Payments**

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

### **e) Finance Lease Payments**

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

### **f) Cash and Cash Equivalents**

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

### **g) Accounts Receivable**

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

### **h) Inventories**

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

### **i) 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.

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

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

### **Finance Leases**

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

### **Depreciation**

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

The estimated useful lives of the assets are:

Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	16.66% Diminishing value

### **j) 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.

**k) Employee Entitlements***Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

**l) 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.

**m) 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.

**n) 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.

**o) Budget Figures**

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

**p) 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	555,379	436,387	509,792
Teachers' Salaries Grants	1,642,556	1,466,232	1,493,296
Other MoE Grants	204,613	173,026	147,222
	<u>2,402,548</u>	<u>2,075,645</u>	<u>2,150,310</u>

## 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	176,934	198,720	182,151
Other Revenue	51,917	-	-
Fees for Extra Curricular Activities	76,716	65,750	78,990
Fundraising & Community Grants	99,495	139,206	81,568
	<u>405,062</u>	<u>403,676</u>	<u>342,709</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	107,062	100,250	112,687
Trading	8,175	8,000	5,006
Fundraising & Community Grant Costs	18,980	18,500	69,594
	<u>134,217</u>	<u>126,750</u>	<u>187,287</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>270,845</u>	<u>276,926</u>	<u>155,422</u>

## 4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	1	1	1
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
International Student Fees	11,074	14,200	43,201
<b>Expenses</b>			
Other Expenses	-	900	5,814
	<u>-</u>	<u>900</u>	<u>5,814</u>
<i>Surplus/ (Deficit) for the year International Students'</i>	<u>11,074</u>	<u>13,300</u>	<u>37,387</u>

## 5. Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	43,559	28,725	29,922
Equipment Repairs	3,206	3,600	3,945
Information and Communication Technology	16,187	13,200	11,159
Library Resources	1,749	3,500	4,350
Employee Benefits - Salaries	2,380,437	1,976,517	1,949,759
Staff Development	5,739	3,500	17,103
	<u>2,450,877</u>	<u>2,029,042</u>	<u>2,016,238</u>

## 6. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,794	5,000	5,038
Board of Trustees Fees	3,745	6,250	6,085
Board of Trustees Expenses	842	700	1,151
Communication	1,511	1,800	1,729
Consumables	41,962	27,400	35,531
Operating Lease	4,166	3,000	6,548
Other	14,038	21,750	21,412
Employee Benefits - Salaries	111,554	99,607	90,887
Insurance	-	500	-
Service Providers, Contractors and Consultancy	7,500	7,500	7,500
	<u>191,112</u>	<u>173,507</u>	<u>175,881</u>

## 7. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	11,936	9,857	12,077
Consultancy and Contract Services	33,430	34,000	33,358
Grounds	7,683	5,500	5,183
Heat, Light and Water	12,026	15,800	16,217
Repairs and Maintenance	7,809	3,900	5,675
Use of Land and Buildings	573,875	831,000	831,000
Security	8,461	10,920	7,228
Employee Benefits - Salaries	32,664	45,000	44,273
	<u>687,884</u>	<u>955,977</u>	<u>955,011</u>

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	100	100	100
Bank Current Account	23,419	36,781	31,489
Cash and cash equivalents for Cash Flow Statement	<u>23,519</u>	<u>36,881</u>	<u>31,589</u>

## 9. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	14,612	14,153	14,153
Receivables from the Ministry of Education	-	-	12,648
Teacher Salaries Grant Receivable	129,881	114,451	114,451
	<u>144,493</u>	<u>128,604</u>	<u>141,252</u>
Receivables from Exchange Transactions	14,612	14,153	14,153
Receivables from Non-Exchange Transactions	129,881	114,451	127,099
	<u>144,493</u>	<u>128,604</u>	<u>141,252</u>

## 10. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	-	960	960
	<u>-</u>	<u>960</u>	<u>960</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Furniture and Equipment	85,688	1,526	-	-	(13,107)	<b>74,107</b>
Information and Communication Technology	61,747	12,871	(3,312)	-	(22,931)	<b>48,375</b>
Leased Assets	14,301	7,047	(995)	-	(8,228)	<b>12,125</b>
Library Resources	6,697	1,260	(76)	-	(1,313)	<b>6,568</b>
<b>Balance at 31 December 2021</b>	<b>168,433</b>	<b>22,704</b>	<b>(4,383)</b>	<b>-</b>	<b>(45,579)</b>	<b>141,175</b>

The net carrying value of equipment held under a finance lease is **\$12,125. (2020: \$14,301)**

	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value	2020 Cost or Valuation	2020 Accumulated Depreciation	2020 Net Book Value
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	168,602	(94,496)	<b>74,106</b>	167,756	(82,068)	<b>85,688</b>
Information and Communication Technology	178,094	(129,719)	<b>48,375</b>	171,648	(109,901)	<b>61,747</b>
Leased Assets	26,770	(14,644)	<b>12,126</b>	24,238	(9,937)	<b>14,301</b>
Library Resources	40,887	(34,319)	<b>6,568</b>	40,084	(33,387)	<b>6,697</b>
<b>Balance at 31 December</b>	<b>414,353</b>	<b>(273,178)</b>	<b>141,175</b>	<b>403,726</b>	<b>(235,293)</b>	<b>168,433</b>

## 12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	194,652	132,887	132,887
Accruals	17,432	12,071	12,071
Banking Staffing Overuse	-	-	12,520
Employee Entitlements - Salaries	138,604	119,722	119,722
Employee Entitlements - Leave Accrual	3,142	13,090	13,090
	<b>353,830</b>	<b>277,770</b>	<b>290,290</b>
Payables for Exchange Transactions	353,830	277,770	290,290
	<b>353,830</b>	<b>277,770</b>	<b>290,290</b>

The carrying value of payables approximates their fair value.

### 13. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International Student Fees in Advance	11,478	-	5,739
Other revenue in Advance	10,451	20,015	20,015
	<u>21,929</u>	<u>20,015</u>	<u>25,754</u>

### 14. Finance Lease Liability

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

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	8,487	7,500	8,082
Later than One Year and no Later than Five Years	4,654	4,400	6,929
Future Finance Charges	(1,001)	-	(1,239)
	<u>12,140</u>	<u>11,900</u>	<u>13,772</u>

Represented by

Finance Lease Liability - Current	7,740	7,500	7,213
Finance Lease Liability - Term	4,400	4,400	6,559
	<u>12,140</u>	<u>11,900</u>	<u>13,772</u>

### 15. 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 (Westminster Christian School) 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".

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include attendance dues, property development donations, building levy and special character donations payable to the Proprietor. The amounts collected in total were \$73,574.45 (2020: \$94,106). These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the proprietor are \$10,451 (2020: \$19,803).



## 16. Remuneration

### *Key management personnel compensation*

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

	<b>2021 Actual \$</b>	<b>2020 Actual \$</b>
<i>Board Members</i>		
Remuneration	3,745	6,085
<i>Leadership Team</i>		
Remuneration	536,267	524,367
Full-time equivalent members	2.50	6
Total key management personnel remuneration	540,012	530,452

There are 10 members of the Board excluding the Principal. The Board had held eight full meetings of the Board in the year. The Board also has 3 Finance members plus the Principal, and 2 Property members plus the Principal, that both meet in the same months as our full meetings. 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	Principal 1	-	50 - 60
Salary and Other Payments	Principal 2	140 - 150	100 - 110
Benefits and Other Emoluments	Principal 1	-	3 - 4
Benefits and Other Emoluments	Principal 2	4 - 5	1 - 2
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
110 - 120	-	-
100 - 110	1	1
	1.00	1.00

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

## 17. Compensation and Other Benefits Upon Leaving

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

	<b>2021 Actual</b>	<b>2020 Actual</b>
Total	\$0	\$0
Number of People	-	-

## 18. Contingencies

There are no contingent liabilities 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 school boards of trustees, 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 2019, a contingent liability for the school may exist.

## 19. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board had no capital commitments.

(Capital commitments at 31 December 2020: nil)

### (b) Operating Commitments

As at 31 December 2021 the Board had no Operating contracts:

(Operating commitments at 31 December 2020: nil)

## 20. 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	23,519	36,881	31,589
Receivables	144,493	128,604	141,252
Total Financial assets measured at amortised cost	<u>168,012</u>	<u>165,485</u>	<u>172,841</u>

### Financial liabilities measured at amortised cost

Payables	353,830	277,770	290,290
Finance Leases	12,140	11,900	13,772
Total Financial Liabilities Measured at Amortised Cost	<u>365,970</u>	<u>289,670</u>	<u>304,062</u>

## 21. Events After Balance Date

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

## 22. Comparatives

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

## 23. COVID 19 Pandemic on going implications

### Impact of Covid-19

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

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

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

### Impact on operations

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

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

### Reduction in locally raised funds

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

**Increased Remote learning additional costs**

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

**Reduction in International students**

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

Any other impacts affecting your school.

**24. Financial Difficulties**

The school is experiencing financial difficulties. At balance date the school has a working capital deficit of \$207,600. The financial difficulties have arisen mainly because the school has incurred several deficits over recent years. The school is managing this by tighter budgetary controls to reduce future deficits.

These financial statements are prepared on a going concern basis. The going concern assumption is dependant on the continuing support from the Ministry of Education. The Ministry of Education has confirmed it will continue to provide the school with resources, so it meets its obligations as they fall due.