



## ANNUAL REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**School Directory**

<b>Ministry Number:</b>	100
<b>Principal:</b>	Grant McMillan
<b>School Address:</b>	18 Dr Pickering Ave, Manurewa, 2102
<b>School Postal Address:</b>	P O Box 75-647, Manurewa, 2243
<b>School Phone:</b>	09 268 3950
<b>School Email:</b>	<a href="mailto:admin@jchs.school.nz">admin@jchs.school.nz</a>

# JAMES COOK HIGH SCHOOL

Annual Report - For the year ended 31 December 2021

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# James Cook 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.

\_\_\_\_\_  
Full Name of Presiding Member

\_\_\_\_\_  
Full Name of Principal

\_\_\_\_\_  
Signature of Presiding Member

\_\_\_\_\_  
Signature of Principal

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Date:

# James Cook High School

## Members of the Board

For the year ended 31 December 2021

Name	Position	How Position Gained	Term Expired/ Expires
Waru Clark	Presiding Member	Elected	Sep 2022
Grant McMillan	Principal ex Officio		
Simon Adams	Parent Representative	Elected	Sep 2022
Jaylene Ball	Parent Representative	Elected	Sep 2022
Kim Dennis	Parent Representative	Elected	Sep 2022
Victoria Takawe	Parent Representative	Elected	Sep 2022
Alvin Chand	Staff Representative	Elected	Sep 2022
Eline Peni	Student Representative	Elected	Feb 2022
<b>In Attendance:</b>			
Anne Farmer	Board Secretary		

# James Cook High School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Revenue</b>				
Government Grants	2	16,117,667	15,216,200	15,691,379
Locally Raised Funds	3	632,846	287,097	245,122
Interest Income		11,821	35,000	26,949
		<u>16,762,334</u>	<u>15,538,297</u>	<u>15,963,450</u>
<b>Expenses</b>				
Locally Raised Funds	3	424,451	79,155	119,888
Learning Resources	4	11,304,250	10,616,295	10,820,506
Administration	5	1,877,305	742,000	709,408
Finance		-	-	-
Property	6	2,646,531	3,374,600	3,415,683
Depreciation	11	584,593	690,800	998,570
Amortisation		52	-	-
Loss on Disposal of Property, Plant and Equipment		-	-	1,609
		<u>16,837,182</u>	<u>15,502,850</u>	<u>16,065,664</u>
<b>Net (Deficit)/Surplus for the year</b>		<b>(74,848)</b>	<b>35,447</b>	<b>(102,214)</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b><u>(74,848)</u></b>	<b><u>35,447</u></b>	<b><u>(102,214)</u></b>

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

# James Cook High School

## 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>		5,551,980	5,551,980	5,654,194
Total comprehensive revenue and expense for the year		(74,848)	35,447	(102,214)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		79,425	-	-
<b>Equity at 31 December</b>		5,556,557	5,587,427	5,551,980
Retained Earnings		5,556,557	5,587,427	5,551,980
<b>Equity at 31 December</b>		5,556,557	5,587,427	5,551,980

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.

# James Cook High School

## Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	1,245,388	1,627,901	1,206,950
Accounts Receivable	8	259,301	672,110	672,110
GST Receivable		59,715	79,123	79,123
Prepayments		6,865	2,515	2,515
Inventories	9	3,580	3,580	3,580
Investments	10	1,103,490	1,003,686	700,000
		<u>2,678,339</u>	<u>3,388,915</u>	<u>2,664,278</u>
<b>Current Liabilities</b>				
Accounts Payable	13	842,448	1,051,827	1,051,827
Revenue Received in Advance	14	72,063	68,966	68,966
Provision for Cyclical Maintenance	15	40,561	28,933	28,933
Finance Lease Liability	16	95,328	102,496	102,496
Funds held for Capital Works Projects	17	69,613	134,560	134,560
Funds Held on Behalf of the Alternative Education	18	533,008	517,492	517,492
Funds Held on Behalf of the Teen Parent Unit	19	95,171	81,683	81,683
		<u>1,748,192</u>	<u>1,985,957</u>	<u>1,985,957</u>
<b>Working Capital Surplus/(Deficit)</b>		930,147	1,402,958	678,321
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	4,829,020	4,453,996	5,143,186
Intangible Assets	12	28,942	28,995	28,995
		<u>4,857,962</u>	<u>4,482,991</u>	<u>5,172,181</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	50,699	50,699	50,699
Finance Lease Liability	16	180,853	247,823	247,823
		<u>231,552</u>	<u>298,522</u>	<u>298,522</u>
<b>Net Assets</b>		<u>5,556,557</u>	<u>5,587,427</u>	<u>5,551,980</u>
<b>Equity</b>		<u>5,556,557</u>	<u>5,587,427</u>	<u>5,551,980</u>

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

# James Cook High 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		5,376,481	5,391,200	5,538,846
Locally Raised Funds		551,266	287,097	291,344
Goods and Services Tax (net)		19,408	-	6,242
Payments to Employees		(3,263,091)	(3,137,120)	(3,019,231)
Payments to Suppliers		(1,950,290)	(1,849,930)	(1,642,191)
Interest Received		9,236	35,000	26,949
Net cash from/(to) Operating Activities		743,010	726,247	1,201,959
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(270,426)	(1,610)	(663,426)
Purchase of Investments		(403,490)	(303,686)	(174,713)
Net cash (to)/from Investing Activities		(673,916)	(305,296)	(838,139)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		79,425	-	-
Finance Lease Payments		(74,138)	-	(70,599)
Painting Contract Payments		-	-	40,844
Funds Administered on Behalf of Third Parties		(35,943)	-	219,798
Net cash (to)/from Financing Activities		(30,656)	-	190,043
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>38,438</b>	<b>420,951</b>	<b>553,863</b>
Cash and cash equivalents at the beginning of the year	7	1,206,950	1,206,950	653,087
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>1,245,388</b>	<b>1,627,901</b>	<b>1,206,950</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.



# James Cook High School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### 1.1. Reporting Entity

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

##### 1.2. Basis of Preparation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

###### **Cyclical Maintenance**

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

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

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

**1.3. Revenue Recognition****Government Grants**

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

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

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

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

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

**Other Grants**

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

**Donations, Gifts and Bequests**

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

**Interest Revenue**

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

**1.4. Operating Lease Payments**

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

**1.5. Finance Lease Payments**

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

**1.6. Cash and Cash Equivalents**

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

**1.7. Accounts Receivable**

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

**1.8. Inventories**

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

**1.9. Investments**

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

**1.10. Property, Plant and Equipment**

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

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

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

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

**Finance Leases**

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

**Depreciation**

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

The estimated useful lives of the assets are:

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

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

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

*Non cash generating assets*

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

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

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

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

**1.12. Accounts Payable**

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

**1.13. Employee Entitlements***Short-term employee entitlements*

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

*Long-term employee entitlements*

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

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

**1.14. Revenue Received in Advance**

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

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

**1.15. Funds Held in Trust**

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

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

**1.16. Shared Funds**

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

**1.17. Provision for Cyclical Maintenance**

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

**1.18. Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, painting contract liability and finance lease liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

**1.19. Borrowings**

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

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

**1.20. Goods and Services Tax (GST)**

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

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

Commitments and contingencies are disclosed exclusive of GST.

**1.21. Budget Figures**

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

**1.22. Services received in-kind**

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

## 2. Government Grants

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	4,637,761	4,589,000	3,980,955
Teachers' Salaries Grants	7,535,109	7,200,000	7,577,989
Use of Land and Buildings Grants	1,859,509	2,625,000	2,625,798
Other MoE Grants	405,647	410,000	1,076,375
Healthy Lunches Grant	1,264,219	-	-
Other Government Grants	415,422	392,200	430,262
	<u>16,117,667</u>	<u>15,216,200</u>	<u>15,691,379</u>

The School has opted in to the donations scheme for this year. Total amount received was \$205,650 (2020: \$174,750).

## 3. Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations & Bequests	835	13,296	100
Curriculum related Activities - Purchase of goods and services	302,261	35,801	-
Fees for Extra Curricular Activities	54,946	20,000	28,430
Trading	13,846	15,000	13,778
Fundraising & Community Grants	260,958	203,000	188,983
Other Revenue	-	-	13,831
	<u>632,846</u>	<u>287,097</u>	<u>245,122</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	424,451	79,155	111,288
Trading	-	-	8,600
	<u>424,451</u>	<u>79,155</u>	<u>119,888</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>208,395</u>	<u>207,942</u>	<u>125,234</u>

## 4. Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	811,624	921,675	799,403
Information and Communication Technology	117,920	82,000	76,495
Library Resources	-	-	3,347
Employee Benefits - Salaries	10,374,706	9,612,620	9,906,628
Staff Development	-	-	34,633
	<u>11,304,250</u>	<u>10,616,295</u>	<u>10,820,506</u>

## 5. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	11,770	11,000	10,078
Board Fees	7,278	7,500	7,966
Board Expenses	10,626	15,000	9,797
Intervention Costs	743	-	21,499
Communication	18,058	21,500	19,837
Consumables	45,682	65,000	18,411
Operating Lease	-	45,000	1,053
Healthy Lunches Expenses	1,264,219	-	-
Other	13,553	16,500	14,011
Employee Benefits - Salaries	487,977	539,500	593,121
Insurance	12,039	15,000	11,135
Service Providers, Contractors and Consultancy	5,360	6,000	2,500
	<u>1,877,305</u>	<u>742,000</u>	<u>709,408</u>

**6. Property**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	12,719	16,000	15,306
Consultancy and Contract Services	194,656	183,000	200,502
Cyclical Maintenance Provision	101,433	100,000	101,433
Grounds	21,659	19,000	19,217
Heat, Light and Water	173,979	150,000	139,617
Rates	2,425	1,600	1,838
Repairs and Maintenance	59,670	70,000	98,941
Use of Land and Buildings	1,859,509	2,625,000	2,625,798
Security	17,016	25,000	20,691
Employee Benefits - Salaries	203,465	185,000	192,340
	<u>2,646,531</u>	<u>3,374,600</u>	<u>3,415,683</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.

**7. Cash and Cash Equivalents**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	1,245,388	1,627,901	1,206,950
Cash and cash equivalents for Statement of Cash Flows	<u>1,245,388</u>	<u>1,627,901</u>	<u>1,206,950</u>

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

Of the \$1,245,388 Cash and Cash Equivalents, \$269,116 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2022 on Crown owned school buildings.

Of the \$1,245,388 Cash and Cash Equivalents, \$56,413 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent. If these requirements are not met, the funds will need to be returned.

Of the \$1,245,388 Cash and Cash Equivalents, \$95,171 is held by the School on behalf of the Teen Parent Unit cluster. See note 19 for details of how the funding received for the cluster has been spent in the year.

Of the \$1,245,388 Cash and Cash Equivalents, \$533,008 is held by the School on behalf of the Alternative Education cluster. See note 18 for details of how the funding received for the cluster has been spent in the year.

**8. Accounts Receivable**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	160,608	81,090	81,090
Receivables from the Ministry of Education	68,417	-	-
Interest Receivable	2,585	-	-
Teacher Salaries Grant Receivable	27,691	591,020	591,020
	<u>259,301</u>	<u>672,110</u>	<u>672,110</u>
Receivables from Exchange Transactions	163,193	81,090	81,090
Receivables from Non-Exchange Transactions	96,108	591,020	591,020
	<u>259,301</u>	<u>672,110</u>	<u>672,110</u>

**9. Inventories**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	1,779	1,779	1,779
Canteen	1,801	1,801	1,801
	<u>3,580</u>	<u>3,580</u>	<u>3,580</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	1,103,490	1,003,686	700,000
Total Investments	1,103,490	1,003,686	700,000

**11. Property, Plant and Equipment**

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2021</b>						
Building Improvements	3,800,305	-	-	-	(101,651)	3,698,654
Furniture and Equipment	522,064	89,680	-	-	(122,003)	489,741
Information and Communication Technology	464,481	144,531	-	-	(174,390)	434,622
Motor Vehicles	1,241	-	-	-	(1,241)	-
Textbooks	66,080	27,298	-	-	(44,248)	49,130
Leased Assets	249,869	-	-	-	(132,207)	117,662
Library Resources	39,146	8,918	-	-	(8,853)	39,211
<b>Balance at 31 December 2021</b>	<b>5,143,186</b>	<b>270,427</b>	<b>-</b>	<b>-</b>	<b>(584,593)</b>	<b>4,829,020</b>

The net carrying value of equipment held under a finance lease is \$117,662 (2020: \$249,869)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Building Improvements	4,988,494	(1,289,840)	3,698,654	4,988,495	(1,188,190)	3,800,305
Furniture and Equipment	1,810,068	(1,320,327)	489,741	1,720,388	(1,198,324)	522,064
Information and Communication Technology	2,594,967	(2,160,345)	434,622	2,450,436	(1,985,955)	464,481
Motor Vehicles	120,580	(120,580)	-	120,580	(119,339)	1,241
Textbooks	390,112	(340,982)	49,130	362,814	(296,734)	66,080
Leased Assets	849,624	(731,962)	117,662	849,624	(599,755)	249,869
Library Resources	199,540	(160,329)	39,211	190,623	(151,477)	39,146
<b>Balance at 31 December</b>	<b>10,953,385</b>	<b>(6,124,365)</b>	<b>4,829,020</b>	<b>10,682,960</b>	<b>(5,539,774)</b>	<b>5,143,186</b>

**12. Intangible Assets**

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

	Acquired software	Internally generated software	Total \$
<b>Cost</b>			
Balance at 1 January 2020	56,488		56,488
Additions	6,940		6,940
Balance at 31 December 2020 / 1 January 2021	63,428		63,428
Additions	507		507
Balance at 31 December 2021	63,935		63,935
<b>Accumulated Amortisation and impairment losses</b>			
Balance at 1 January 2020	30,806		30,806
Amortisation expense	4,135		4,135
Balance at 31 December 2020 / 1 January 2021	34,941		34,941
Amortisation expense	52		52
Balance at 31 December 2021	34,993		34,993
<b>Carrying amounts</b>			
At 1 January 2020	25,682		25,682
At 31 December 2020 / 1 January 2021	28,994		28,994
At 31 December 2021	28,942		28,942



**13. Accounts Payable**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Creditors	399,966	296,579	296,579
Employee Entitlements - Salaries	354,953	623,114	623,114
Employee Entitlements - Leave Accrual	87,529	132,134	132,134
	<u>842,448</u>	<u>1,051,827</u>	<u>1,051,827</u>
Payables for Exchange Transactions	842,448	1,051,827	1,051,827
	<u>842,448</u>	<u>1,051,827</u>	<u>1,051,827</u>

The carrying value of payables approximates their fair value.

**14. Revenue Received in Advance**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance - Ministry of Education	56,413	51,254	51,254
Other Revenue in Advance	15,650	17,712	17,712
	<u>72,063</u>	<u>68,966</u>	<u>68,966</u>

**15. Provision for Cyclical Maintenance**

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	79,632	79,632	99,242
Increase/ (decrease) to the Provision During the Year	101,433	-	101,433
Use of the Provision During the Year	(89,805)	-	(121,043)
Provision at the End of the Year	<u>91,260</u>	<u>79,632</u>	<u>79,632</u>
Cyclical Maintenance - Current	40,561	28,933	28,933
Cyclical Maintenance - Term	50,699	50,699	50,699
	<u>91,260</u>	<u>79,632</u>	<u>79,632</u>

**16. Finance Lease Liability**

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	100,818	102,496	102,496
Later than One Year and no Later than Five Years	180,853	247,823	247,823
Future Finance Charges	(5,490)	-	-
	<u>276,181</u>	<u>350,319</u>	<u>350,319</u>
<b>Represented by:</b>			
Finance lease liability - Current	95,328	102,496	102,496
Finance lease liability - Term	180,853	247,823	247,823
	<u>276,181</u>	<u>350,319</u>	<u>350,319</u>

**17. 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
	\$	\$	\$	\$	\$
O Block refurbishment	(7,999)	-	-	-	(7,999)
H Block	(7,416)	-	-	-	(7,416)
10YPP	10,210	-	-	-	10,210
Boiler pipework	1,516	-	-	-	1,516
Block JB Gym Floor	4,149	-	-	-	4,149
Block B Carpet Replacement	1,500	-	-	-	1,500
Roofing Replacement	19,640	10	-	-	19,650
Block A refurbishment	73,027	-	-	-	73,027
Block M/TD reline walls	3,224	-	-	-	3,224
Electrical upgrades	8,392	-	-	-	8,392
Drainage Works	5,374	-	-	-	5,374
ECE & TPU upgrade	(13,511)	-	(1,949)	-	(15,460)
C Block upgrade	2,786	3,429	(27)	-	6,188
SIP:Staffroom refurbishment	33,668	125,000	(255,595)	-	(96,927)
5YA Staffroom refurbishment	-	142,134	(6,248)	-	135,886
Block G, F & SB refurbishment	-	35,000	(54,636)	-	(19,636)
Puutake Shade Sails	-	-	(45,425)	-	(45,425)
Deans Offices & Seminar Room	-	-	(1,458)	-	(1,458)
Stage upgrade	-	-	(5,182)	-	(5,182)
Totals	134,560	305,573	(370,520)	-	69,613

**Represented by:**

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

133,230  
(63,617)  
69,613

2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
O Block refurbishment	(7,999)	-	-	-	(7,999)
H Block	(7,416)	-	-	-	(7,416)
10YPP	10,210	-	-	-	10,210
Boiler pipework	1,516	-	-	-	1,516
Block JB Gym Floor	4,149	-	-	-	4,149
Block B Carpet Replacement	1,500	-	-	-	1,500
Roofing Replacement	19,640	-	-	-	19,640
Block A refurbishment	73,027	-	-	-	73,027
Block M/TD reline walls	3,224	-	-	-	3,224
Electrical upgrades	8,392	-	-	-	8,392
Drainage Works	196,736	-	(191,362)	-	5,374
ECE & TPU upgrade	-	87,865	(101,376)	-	(13,511)
C Block upgrade	-	30,405	(27,619)	-	2,786
SIP:Staffroom refurbishment	-	40,000	(6,332)	-	33,668
Totals	302,979	158,270	(326,689)	-	134,560

**18. Funds Held on Behalf of the Alternative Education Cluster**

James Cook High School was the lead school and holds funds on behalf of the Counties - Manukau Alternative Education cluster, a group of schools funded by the Ministry of Education.

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held at Beginning of the Year	517,492	517,492	155,840
Funds Received from MoE	2,047,811	-	1,999,084
Funds Spent on Behalf of the Cluster	(2,032,295)	-	(1,637,432)
Funds Held at Year End	<u>533,008</u>	<u>517,492</u>	<u>517,492</u>

## 19. Funds Held on Behalf of the Teen Parent Unit

The school's Teen Parent Unit is a separate business unit of the school in accordance with the agreement with the Ministry of Education. The revenue and expenditure is included in the school's Statement of Revenue and Expense. During the year the funds were spent on employee

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held at Beginning of the Year	81,683	81,683	55,118
Funds Received from MoE	156,195	-	169,660
Funds Spent on Behalf of the Cluster	(142,707)	-	(143,095)
Funds Held at Year End	95,171	81,683	81,683

## 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.

## 21. Remuneration

### Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	7,278	7,966
<i>Leadership Team</i>		
Remuneration	913,309	858,703
Full-time equivalent members	6.00	6.50
Total key management personnel remuneration	920,587	866,669

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

### Principal

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	220-230	210-220
Benefits and Other Emoluments	30-40	20-30
Termination Benefits	0 - 0	0 - 0

### Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100 -110	10.00	10.00
110 -120	6.00	3.00
120 - 130	2.00	3.00
130-140	4.00	1.00
	22.00	17.00

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 trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2021 Actual	2020 Actual
Total	\$ -	\$ -
Number of People	-	-

## 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 entered into the following contract agreements for capital works.

(a) SIP and 5YA contracts to upgrade various facilities as agent for the Ministry of Education. These projects are fully funded by the Ministry with \$305,563 received and \$370,510 spent in the current year with \$69,613 remaining to be spent on the projects at balance date.

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

### (b) Operating Commitments

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

(Operating commitments at 31 December 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	1,245,388	1,627,901	1,206,950
Receivables	259,301	672,110	672,110
Investments - Term Deposits	1,103,490	1,003,686	700,000
Total Financial assets measured at amortised cost	2,608,179	3,303,697	2,579,060

### Financial liabilities measured at amortised cost

	2021	2021	2020
	842,448	1,051,827	1,051,827
Payables	842,448	1,051,827	1,051,827
Finance Leases	276,181	350,319	350,319
Total Financial liabilities measured at amortised Cost	1,118,629	1,402,146	1,402,146

## 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.

The school identified that there are historic errors, miscodes and discrepancies regarding property ownership. Previous miscoding gives the appearance that the Board of Trustees owns more property than it actually does.

## 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 T hūhū o te M ātauranga | 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.