

HORA HORA SCHOOL(CAMBRIDGE)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 1744

Principal: Joanne Synge

School Address: 1798 Maungatautari Road, Leamington 3494

School Postal Address: 1798 Maungatautari Road, Leamington 3494

School Phone: 07-8272823

School Email: principal@horahoracambridge.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Nicole Johannes	Presiding Member	Elected	Sep-22
Joanne Synge	Principal ex Officio		Sep-22
Michelle Bartz	Parent Representative	Elected	Sep-22
Quinn Dallinger	Parent Representative	Elected	Sep-22
Roger Laxon	Parent Representative	Elected	Sep-22
George Dallinger	Parent Representative	Elected	Sep-22
Sarah-Anne Riches	Staff Representative	Appointed	Sep-22

Accountant / Service Provider: SRN Partners Chartered Accountants Ltd

HORA HORA SCHOOL(CAMBRIDGE)

Annual Report - For the year ended 31 December 2021

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Kiwisport

Hora Hora School(Cambridge)

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:

Hora Hora School(Cambridge)

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	516,481	457,000	557,120
Locally Raised Funds	3	48,570	40,280	48,026
Interest Income		633	2,000	1,752
Gain on Sale of Property, Plant and Equipment	11	418	-	-
		<u>566,102</u>	<u>499,280</u>	<u>606,898</u>
Expenses				
Locally Raised Funds	3	18,123	12,600	14,598
Learning Resources	4	334,870	304,800	322,111
Administration	5	56,164	48,850	45,013
Finance		607	-	957
Property	6	145,946	136,000	161,012
Depreciation	11	15,441	10,000	11,077
		<u>571,151</u>	<u>512,250</u>	<u>554,768</u>
Net Surplus / (Deficit) for the year		(5,049)	(12,970)	52,130
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(5,049)</u>	<u>(12,970)</u>	<u>52,130</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.

Hora Hora School(Cambridge)

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		420,813	420,815	368,683
Total comprehensive revenue and expense for the year		(5,049)	(12,970)	52,130
Capital Contributions from the Ministry of Education				
Contribution - IT Network Upgrade		7,406	-	-
Contribution - F&E Grant		1,707		
Equity at 31 December		424,877	407,845	420,813
Retained Earnings		424,877	407,845	420,813
Equity at 31 December		424,877	407,845	420,813

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.

Hora Hora School(Cambridge)

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	7	203,036	251,220	133,597
Accounts Receivable	8	26,170	20,800	22,143
Prepayments		14,115	14,000	1,073
Inventories	9	644	1,000	1,037
Investments	10	80,165	-	79,904
Funds Due for Capital Works Projects	16	-	-	7,980
		<u>324,130</u>	<u>287,020</u>	<u>245,734</u>
Current Liabilities				
GST Payable		8,132	9,000	206
Accounts Payable	12	41,090	38,400	36,869
Revenue Received in Advance	13	8,242	8,000	8,242
Provision for Cyclical Maintenance	14	45,810	45,720	-
Finance Lease Liability	15	2,840	3,000	3,944
Funds held for Capital Works Projects	16	71,760	-	-
		<u>177,874</u>	<u>104,120</u>	<u>49,261</u>
Working Capital Surplus/(Deficit)		146,256	182,900	196,473
Non-current Assets				
Property, Plant and Equipment	11	284,196	229,645	266,246
		<u>284,196</u>	<u>229,645</u>	<u>266,246</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	-	-	40,720
Finance Lease Liability	15	5,575	4,700	1,186
		<u>5,575</u>	<u>4,700</u>	<u>41,906</u>
Net Assets		<u>424,877</u>	<u>407,845</u>	<u>420,813</u>
Equity		<u>424,877</u>	<u>407,845</u>	<u>420,813</u>

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

Hora Hora School(Cambridge)

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		147,486	175,513	168,448
Locally Raised Funds		49,300	39,610	50,249
Goods and Services Tax (net)		7,926	9,000	2,835
Payments to Employees		(89,086)	(71,200)	(84,790)
Payments to Suppliers		(104,773)	(82,885)	(71,071)
Interest Paid		(607)	-	(957)
Interest Received		624	2,000	2,095
Net cash from/(to) Operating Activities		10,870	72,038	66,809
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(20,982)	20,355	(3,476)
Purchase of Investments		(261)	-	(1,373)
Proceeds from Sale of Investments		-	-	31,081
Net cash from/(to) Investing Activities		(21,243)	20,355	26,232
Cash flows from Financing Activities				
Furniture and Equipment Grant		1,707	-	-
Finance Lease Payments		(1,635)	2,700	(3,579)
Funds Administered on Behalf of Third Parties		79,740	(8,000)	(7,980)
Net cash from/(to) Financing Activities		79,812	(5,300)	(11,559)
Net increase/(decrease) in cash and cash equivalents		69,439	87,093	81,482
Cash and cash equivalents at the beginning of the year	7	133,597	164,127	52,115
Cash and cash equivalents at the end of the year	7	203,036	251,220	133,597

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.

Hora Hora School(Cambridge)

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Hora Hora School(Cambridge) (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 14.

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.

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Finance Lease Payments

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

e) Cash and Cash Equivalents

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

f) Accounts Receivable

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

g) Inventories

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

h) Investments

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

i) Property, Plant and Equipment

Land and buildings owned by the 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
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

j) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

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

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

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

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

k) Accounts Payable

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

l) Employee Entitlements

Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to

balance date, annual leave earned, by non teaching staff, to but not yet taken at balance date.

m) Revenue Received in Advance

Revenue received in advance relates to fees 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.

n) 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.

o) 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.

p) 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.

q) 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.

r) Budget Figures

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

s) 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	129,438	97,000	117,122
Teachers' Salaries Grants	269,598	250,000	256,542
Use of Land and Buildings Grants	97,996	100,000	130,730
Other MoE Grants	19,449	10,000	46,926
Other Government Grants	-	-	5,800
	<u>516,481</u>	<u>457,000</u>	<u>557,120</u>

The school has opted in to the donations scheme for this year. Total amount received was \$5,550.

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	13,663	5,750	15,959
Fees for Extra Curricular Activities	6,920	11,700	5,880
Trading	2,127	1,050	1,345
Other Revenue	25,860	21,780	24,842
	<u>48,570</u>	<u>40,280</u>	<u>48,026</u>
Expenses			
Extra Curricular Activities Costs	15,188	11,550	13,168
Trading	2,935	1,050	1,430
	<u>18,123</u>	<u>12,600</u>	<u>14,598</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>30,447</u>	<u>27,680</u>	<u>33,428</u>

4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	10,502	6,050	6,108
Information and Communication Technology	1,736	2,300	1,601
Employee Benefits - Salaries	321,513	294,000	313,378
Staff Development	1,119	2,450	1,024
	<u>334,870</u>	<u>304,800</u>	<u>322,111</u>

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	4,664	4,200	4,056
Board Fees	3,560	4,400	3,801
Board Expenses	1,679	1,800	1,100
Communication	781	2,000	765
Consumables	3,760	4,000	1,816
Other	6,467	4,650	4,727
Employee Benefits - Salaries	27,998	22,300	21,868
Insurance	2,240	2,500	2,730
Service Providers, Contractors and Consultancy	5,015	3,000	4,150
	<u>56,164</u>	<u>48,850</u>	<u>45,013</u>

6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	378	500	-
Consultancy and Contract Services	2,440	2,400	2,090
Cyclical Maintenance Provision	5,090	5,000	5,090
Grounds	8,104	2,700	7,129
Heat, Light and Water	8,606	8,500	5,344
Repairs and Maintenance	17,897	9,700	4,828
Use of Land and Buildings	97,996	100,000	130,730
Employee Benefits - Salaries	5,435	7,200	5,801
	<u>145,946</u>	<u>136,000</u>	<u>161,012</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and building 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.

7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	161,086	151,220	91,810
Short-term Bank Deposits	41,950	100,000	41,787
Cash and cash equivalents for Statement of Cash Flows	<u>203,036</u>	<u>251,220</u>	<u>133,597</u>

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

Of the \$203,036 Cash and Cash Equivalents, \$71,760 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.

8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	700	700	30
Interest Receivable	113	100	104
Banking Staffing Underuse	4,062	-	-
Teacher Salaries Grant Receivable	21,295	20,000	22,009
	<u>26,170</u>	<u>20,800</u>	<u>22,143</u>
Receivables from Exchange Transactions	813	800	134
Receivables from Non-Exchange Transactions	25,357	20,000	22,009
	<u>26,170</u>	<u>20,800</u>	<u>22,143</u>

9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	643	1,000	1,037
	<u>643</u>	<u>1,000</u>	<u>1,037</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	80,165	-	79,904
	<u>80,165</u>	<u>-</u>	<u>79,904</u>

11. Property, Plant and Equipment

2021	Opening Balance (NBV) \$	Additions \$	Disposals \$	Gain on Disposal \$	Depreciation \$	Total (NBV) \$
Building Improvements	241,693				(1,221)	240,472
Furniture and Equipment	14,172	3,967			(3,357)	14,782
Information and Communication Technology	3,002	24,159			(7,609)	19,552
Leased Assets	4,313	6,688	(2,103)	418	(2,850)	6,466
Library Resources	3,066	262			(404)	2,924
Balance at 31 December 2021	<u>266,246</u>	<u>35,076</u>	<u>(2,103)</u>	<u>418</u>	<u>(15,441)</u>	<u>284,196</u>

The net carrying value of equipment held under a finance lease is **\$6,466 (2020: \$4,313)**

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	382,662	(142,190)	240,472	382,662	(140,969)	241,693
Furniture and Equipment	76,370	(61,588)	14,782	72,403	(58,231)	14,172
Information and Communication T	73,916	(54,364)	19,552	49,757	(46,755)	3,002
Leased Assets	15,652	(9,186)	6,466	15,712	(11,399)	4,313
Library Resources	21,642	(18,718)	2,924	21,380	(18,314)	3,066
Balance at 31 December	570,242	(286,046)	284,196	541,914	(275,668)	266,246

12. Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	11,281	10,200	7,370
Accruals	7,779	7,500	7,079
Employee Entitlements - Salaries	21,295	20,000	22,009
Employee Entitlements - Leave Accrual	735	700	411
	<u>41,090</u>	<u>38,400</u>	<u>36,869</u>
Payables for Exchange Transactions	41,090	38,400	36,869
	<u>41,090</u>	<u>38,400</u>	<u>36,869</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	8,242	8,000	8,242
	<u>8,242</u>	<u>8,000</u>	<u>8,242</u>

14. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	40,720	40,720	35,630
Increase/ (decrease) to the Provision During the Year	5,090	5,000	5,090
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>45,810</u>	<u>45,720</u>	<u>40,720</u>
Cyclical Maintenance - Current	45,810	45,720	-
Cyclical Maintenance - Term	-	-	40,720
	<u>45,810</u>	<u>45,720</u>	<u>40,720</u>

15. 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	6,209		4,776
Later than One Year and no Later than Five Years	3,877		1,216
Future Finance Charges	(1,672)		(862)
	<u>8,415</u>	-	<u>5,130</u>
Represented by			
Finance lease liability - Current	2,840		3,944
Finance lease liability - Term	5,575		1,186
	<u>8,415</u>	-	<u>5,130</u>

16. 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. The amount of

		2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Interiro Accountstics and Painting	Project number 221516		(7,980)	5,000	(6,200)	9,180	-
Tech Arts Renovation	Project number 229714		-	101,577	(29,817)		71,760
Totals			<u>(7,980)</u>	<u>106,577</u>	<u>(36,017)</u>	<u>9,180</u>	<u>71,760</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	71,760
Funds Due from the Ministry of Education	-
	<u>71,760</u>

		2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Interior accoustics and painting	<i>completed</i>		-	45,000	52,980		(7,980)
Totals			<u>-</u>	<u>45,000</u>	<u>52,980</u>	-	<u>(7,980)</u>

17. 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.

18. Remuneration

Key management personnel compensation

Key management personnel of the School include all Board members, Principal.

	2021 Actual \$	2020 Actual \$
<i>Board Members</i> Remuneration	3,560	3,801
<i>Leadership Team</i> Remuneration Full-time equivalent members	114,314 1	108,269 1
Total key management personnel remuneration	117,874	112,070

There are 6 members of the Board excluding the Principal. The Board held 11 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings.

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	110-120	100-110
Benefits and Other Emoluments	0-10	0-10
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	-	-
	0.00	0.00

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

19. 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	-	-

20. 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.

21. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into contract agreements for capital works as follows:

(a) A contract for Tech Arts Renovation to be completed in **2022**, which will be fully funded by the Ministry of Education. \$101,576 has been received of which \$29,816 has been spent on the project to date.

(Capital commitments at 31 December 2020: \$7,980)

22. 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	203,036	251,220	133,597
Receivables	26,170	20,800	22,143
Investments - Term Deposits	80,165	-	79,904
Total Financial assets measured at amortised cost	<u>309,371</u>	<u>272,020</u>	<u>235,644</u>

Financial liabilities measured at amortised cost

Payables	41,090	38,400	36,869
Finance Leases	8,415	7,700	5,130
Total Financial Liabilities Measured at Amortised Cost	<u>49,505</u>	<u>46,100</u>	<u>41,999</u>

23. Events After Balance Date

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

24. Comparatives

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

25. Breach of law - Failure to meet statutory report deadline

The Board of Trustees did not comply with section 135 of the Education and Training Act in that it did not submit its annual financial statements for audit by 31 March 2022.

26. Breach of law - Failure to meet statutory report deadline

The Board of Trustees did not comply with Section 87C of the Education Act 1989 Act in that it did not submit its annual financial statements for audit by 31 May 2022.

Hora Hora School

Kiwisport Statement

For the Year Ended 31 December 2021

In 2021 the school received Kiwisport funding of \$687 (2020:\$538)

The funding was spent on sports equipment and sporting endeavours.