

Tangaroa College

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Ministry Number:	58
Principal:	Davida Suasua
School Address:	Haumia Way, Otara, Auckland
School Postal Address:	PO Box 61476, Manukau 2159
School Phone:	09 274 5764
School Email:	office@tangaroa.school.nz
Accountant / Service Provider:	School Finance Hub

Tangaroa College

Members of the Board of Trustees

For the year ended 31 December 2021

Name	Position	How position on Board gained	Term expired/expires
Allan Va'a	Chairperson	Triennial Election	2022
Karl Tusini-Rex	Acting Chairperson as required	Triennial Election	2022
Davida Suasua	Principal		
Joe Fealoa'i	Co Opted Trustee	Co Opted	2022
Rachel Mattocks	Elected Parent Trustee	Triennial Election	2022
Scott Tuluā	Elected Parent Trustee	Triennial Election	2022
Merry Faumuina	Elected Parent Trustee	Triennial Election	2022
Renee Tawhi	Staff Trustee	Triennial Election	2022
Lena Ioane	Student Trustee	Annual Election	2022
Mary Tuilagi	Board Secretary		Left 30 April 2021

Tangaroa College

Annual Report - For the year ended 31 December 2021

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Tangaroa College

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.

Karl Tusini-Dye

Full Name of Presiding Member

[Signature]

Signature of Presiding Member

20.05.2022

Date:

Davidia Suama

Full Name of Principal

[Signature]

Signature of Principal

20.05.2022

Date:

Tangaroa College

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	10,552,726	9,621,550	11,121,013
Locally Raised Funds	3	797,078	651,748	620,409
Interest Income		19,971	25,000	41,526
		<u>11,369,775</u>	<u>10,298,298</u>	<u>11,782,948</u>
Expenses				
Locally Raised Funds	3	100,622	58,500	129,659
International Students	4	-	-	459
Learning Resources	5	7,526,181	6,758,221	7,412,135
Administration	6	842,132	550,500	549,759
Finance		6,288	4,100	5,492
Property	7	2,402,702	2,560,000	2,955,600
Depreciation	11	386,493	360,000	378,406
Loss on Disposal of Property, Plant and Equipment		14,946	-	47,355
		<u>11,279,364</u>	<u>10,291,321</u>	<u>11,478,865</u>
Net Surplus / (Deficit) for the year		90,411	6,977	304,083
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>90,411</u>	<u>6,977</u>	<u>304,083</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.

Tangaroa College

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	4,949,483	4,949,483	4,645,400
Total comprehensive revenue and expense for the year	90,411	6,977	304,083
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	56,051	-	-
Equity at 31 December	5,095,945	4,956,460	4,949,483

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.

Tangaroa College

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	8	178,263	384,626	400,212
Accounts Receivable	9	678,326	632,000	623,484
GST Receivable		5,787	5,000	7,045
Prepayments		21,540	15,000	5,277
Investments	10	1,692,694	1,700,000	1,972,285
Funds held for Capital Works Projects	16	71,571	-	-
		<u>2,648,181</u>	<u>2,736,626</u>	<u>3,008,303</u>
Current Liabilities				
Accounts Payable	12	653,818	612,000	842,197
Revenue Received in Advance	13	191,084	165,000	66,094
Provision for Cyclical Maintenance	14	130,409	116,000	116,187
Finance Lease Liability	15	41,622	30,000	18,383
Funds held for Capital Works Projects	16	-	-	98,679
		<u>1,016,933</u>	<u>923,000</u>	<u>1,141,540</u>
Working Capital Surplus/(Deficit)		1,631,248	1,813,626	1,866,763
Non-current Assets				
Property, Plant and Equipment	11	3,563,416	3,222,834	3,163,834
Capital Works in Progress		58,307	50,000	9,950
		<u>3,621,723</u>	<u>3,272,834</u>	<u>3,173,784</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	89,424	80,000	79,407
Finance Lease Liability	15	67,602	50,000	11,657
		<u>157,026</u>	<u>130,000</u>	<u>91,064</u>
Net Assets		<u><u>5,095,945</u></u>	<u><u>4,956,460</u></u>	<u><u>4,949,483</u></u>
Equity		<u><u>5,095,945</u></u>	<u><u>4,956,460</u></u>	<u><u>4,949,483</u></u>

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

Tangaroa College

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		3,204,896	3,087,080	3,302,514
Locally Raised Funds		866,437	761,684	586,716
Goods and Services Tax (net)		1,258	2,045	18,894
Payments to Employees		(2,014,144)	(1,716,878)	(1,915,879)
Payments to Suppliers		(1,694,106)	(1,618,693)	(1,229,977)
Interest Paid		(6,288)	(4,100)	(5,492)
Interest Received		24,800	31,045	42,154
Net cash from/(to) Operating Activities		382,853	542,183	798,930
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	(90,596)	-
Purchase of Property Plant & Equipment (and Intangibles)		(729,763)	(309,505)	(237,792)
Purchase of Investments		-	-	(234,928)
Proceeds from Sale of Investments		279,591	-	-
Net cash from/(to) Investing Activities		(450,172)	(400,101)	(472,720)
Cash flows from Financing Activities				
Furniture and Equipment Grant		56,051	-	-
Finance Lease Payments		(40,431)	(8,989)	(38,550)
Funds Administered on Behalf of Third Parties		(170,250)	(148,679)	26,033
Net cash from/(to) Financing Activities		(154,630)	(157,668)	(12,517)
Net increase/(decrease) in cash and cash equivalents		(221,949)	(15,586)	313,693
Cash and cash equivalents at the beginning of the year	8	400,212	400,212	86,519
Cash and cash equivalents at the end of the year	8	178,263	384,626	400,212

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.

Tangaroa College

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Tangaroa College (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.

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

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) 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.

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

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 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.

i) 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.

j) 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:

Buildings - School	10-50 years
Furniture and equipment	10-15 years
Information and communication technology	5 years
Motor vehicles	5-10 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

k) Impairment of property, plant, and equipment

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 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.

l) 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.

m) 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.

n) Revenue Received in Advance

Revenue received in advance relates to fees received from unspent donations and TPU Covid funds 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 the above revenue received in advance, should the School be unable to provide the services to which they relate.

o) 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.

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

p) Financial Instruments

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

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

The School's financial liabilities comprise accounts payable 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.

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.

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	2,721,818	2,708,324	2,733,086
Teachers' Salaries Grants	5,436,389	4,708,000	5,463,837
Use of Land and Buildings Grants	1,610,935	1,850,000	2,226,090
Other MoE Grants	706,063	285,298	611,355
Other Government Grants	77,521	69,928	86,645
	<u>10,552,726</u>	<u>9,621,550</u>	<u>11,121,013</u>

The school has opted in to the donations scheme for this year. Total amount received was \$121,350.

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	182,191	156,400	26,611
Curriculum related Activities - Purchase of goods and services	47,721	-	9,816
Fees for Extra Curricular Activities	55,847	28,500	107,901
Trading	7,175	15,000	9,958
Other Revenue	504,144	451,848	466,123
	<u>797,078</u>	<u>651,748</u>	<u>620,409</u>
Expenses			
Extra Curricular Activities Costs	82,084	52,500	121,427
Other Locally Raised Funds Expenditure	18,538	6,000	8,232
	<u>100,622</u>	<u>58,500</u>	<u>129,659</u>
<i>Surplus / (Deficit) for the year Locally Raised Funds</i>	<u>696,456</u>	<u>593,248</u>	<u>490,750</u>

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	0	0	0
Revenue			
International Student Fees	-	-	-
Expenses			
Other Expenses	-	-	459
	<u>-</u>	<u>-</u>	<u>459</u>
<i>Surplus / (Deficit) for the year International Students</i>	<u>-</u>	<u>-</u>	<u>(459)</u>

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

5. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	419,446	611,800	368,776
Equipment Repairs	778	-	759
Information and Communication Technology	175,958	185,421	181,831
Library Resources	3,858	10,000	4,568
Employee Benefits - Salaries	6,902,616	5,911,000	6,841,996
Staff Development	23,525	40,000	14,205
	<u>7,526,181</u>	<u>6,758,221</u>	<u>7,412,135</u>

6. Administration

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Audit Fee	9,723	12,000	9,343
Board Fees	17,187	10,000	11,308
Board Expenses	45,548	47,000	62,844
Healthy School Lunches Programme	309,317	-	-
Communication	16,943	15,000	12,430
Consumables	3,024	31,500	1,455
Other	57,861	90,500	79,882
Employee Benefits - Salaries	337,708	311,500	331,530
Insurance	19,081	10,000	17,207
Service Providers, Contractors and Consultancy	25,740	23,000	23,760
	<u>842,132</u>	<u>550,500</u>	<u>549,759</u>

7. Property

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	28,753	37,000	48,214
Consultancy and Contract Services	162,215	135,000	126,182
Cyclical Maintenance Provision	24,239	65,000	(8,031)
Grounds	16,956	30,500	40,429
Heat, Light and Water	146,938	85,000	92,736
Repairs and Maintenance	147,934	135,000	182,706
Use of Land and Buildings	1,610,935	1,850,000	2,226,090
Security	37,053	22,000	26,421
Employee Benefits - Salaries	227,679	200,500	220,853
	<u>2,402,702</u>	<u>2,560,000</u>	<u>2,955,600</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, the use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

8. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	178,263	384,626	400,212
Cash and cash equivalents for Statement of Cash Flows	<u>178,263</u>	<u>384,626</u>	<u>400,212</u>

Of the \$178,263 Cash and Cash Equivalents and investments \$1,692,694, \$10,643 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 \$178,263 Cash and Cash Equivalents and investments \$1,692,694, \$174,431 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.

31 December 2020:

Of the \$400,212 Cash and Cash Equivalents, \$218,312 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$400,212 Cash and Cash Equivalents, \$25,000 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 in providing specified deliverables of the grant arrangement.

9. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	208,648	140,000	144,589
Receivables from the Ministry of Education	12,732	50,000	29,971
Interest Receivable	8,216	7,000	13,045
Teacher Salaries Grant Receivable	448,730	435,000	435,879
	<u>678,326</u>	<u>632,000</u>	<u>623,484</u>
Receivables from Exchange Transactions	216,864	147,000	157,634
Receivables from Non-Exchange Transactions	461,462	485,000	465,850
	<u>678,326</u>	<u>632,000</u>	<u>623,484</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	1,692,694	1,700,000	1,972,285
Total Investments	<u>1,692,694</u>	<u>1,700,000</u>	<u>1,972,285</u>

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	2,194,190	308,286	-	-	(69,493)	2,432,983
Furniture and Equipment	451,058	134,959	-	-	(102,352)	483,665
Information and Communication Technology	365,572	54,470	-	-	(138,444)	281,598
Motor Vehicles	32,560	175,400	-	-	(16,226)	191,734
Leased Assets	48,821	119,615	(11,300)	-	(50,443)	106,693
Library Resources	71,633	8,290	(3,645)	-	(9,535)	66,743
Balance at 31 December 2021	3,163,834	801,020	(14,945)	-	(386,493)	3,563,416

The net carrying value of equipment held under a finance lease is \$106,693 (2020: \$48,821)

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	3,393,241	(960,258)	2,432,983	3,084,955	(890,765)	2,194,190
Furniture and Equipment	2,132,253	(1,648,588)	483,665	1,997,292	(1,546,234)	451,058
Information and Communication Technology	1,396,163	(1,114,565)	281,598	1,341,693	(976,121)	365,572
Motor Vehicles	298,556	(106,822)	191,734	123,156	(90,596)	32,560
Leased Assets	282,860	(176,167)	106,693	201,051	(152,230)	48,821
Library Resources	199,206	(132,463)	66,743	201,154	(129,521)	71,633
Balance at 31 December	7,702,279	(4,138,863)	3,563,416	6,949,301	(3,785,467)	3,163,834

12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	108,740	100,000	327,440
Employee Entitlements - Salaries	511,445	460,000	463,378
Employee Entitlements - Leave Accrual	33,633	52,000	51,379
	653,818	612,000	842,197
Payables for Exchange Transactions	653,818	612,000	842,197
	653,818	612,000	842,197

The carrying value of payables approximates their fair value.

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

13. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Grants in Advance - Ministry	13,013	15,000	21,441
Other	178,071	150,000	44,653
	<u>191,084</u>	<u>165,000</u>	<u>66,094</u>

14. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	195,594	195,594	242,901
Increase / (decrease) to the Provision During the Year	24,239	65,000	(8,031)
Use of the Provision During the Year	-	(64,594)	(39,276)
Provision at the End of the Year	<u>219,833</u>	<u>196,000</u>	<u>195,594</u>
Cyclical Maintenance - Current	130,409	116,000	116,187
Cyclical Maintenance - Term	89,424	80,000	79,407
	<u>219,833</u>	<u>196,000</u>	<u>195,594</u>

15. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and photocopiers.

Minimum lease payments payable:

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
No Later than One Year	47,156	32,000	20,405
Later than One Year and no Later than Five Years	71,590	53,000	12,361
Future Finance Charges	(9,522)	(5,000)	(2,726)
	<u>109,224</u>	<u>80,000</u>	<u>30,040</u>
Represented by			
Finance lease liability - Current	41,622	30,000	18,383
Finance lease liability - Term	67,602	50,000	11,657
	<u>109,224</u>	<u>80,000</u>	<u>30,040</u>

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

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 cash held on behalf of the Ministry for capital works project is included under receivables from the Ministry in account receivable note 9.

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
B Block Toilet Upgrade	23,000	-	(12,470)	-	10,530
TPU Upgrade	(23,639)	-	-	-	(23,639)
Security & Fire Upgrade	(30,783)	28,167	-	2,616	-
Roof Replacement	978	-	-	(978)	-
ILE Project D	58,420	-	(82,747)	-	(24,327)
Site Drainage	(1,875)	16,988	(15,188)	75	-
Electrical Upgrade	92,158	-	(92,045)	-	113
Heatpumps	5,483	(4,606)	(877)	-	-
Block D Carpark	28,696	(8,351)	(20,345)	-	-
Caretakers Office/Bathroom	(44,704)	-	133	30,000	(14,571)
Landscaping/Pedestrian	(2,024)	95,073	(96,302)	-	(3,253)
Drink Fountains	9,577	(7,422)	(2,155)	-	-
Toilet Upgrade	(16,608)	15,117	-	1,491	-
Emergency Drainage/Subsidence	-	16,313	(16,760)	-	(447)
Outdoor Deck Replacement	-	94,486	(107,283)	-	(12,797)
Vector Upgrade	-	-	(3,180)	-	(3,180)
Totals	98,679	245,765	(449,219)	33,204	(71,571)

Represented by:

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

10,643

(82,214)

(71,571)

2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
B Block Toilet Upgrade	-	195,444	(172,444)	-	23,000
TPU Upgrade	-	56,536	(80,175)	-	(23,639)
Security & Fire Upgrade	9,585	-	(40,368)	-	(30,783)
Roof Replacement	-	10,266	(9,288)	-	978
ILE Project D	63,061	-	(4,641)	-	58,420
Site Drainage	-	-	(1,875)	-	(1,875)
Electrical Upgrade	-	107,164	(15,006)	-	92,158
Heatpumps	-	75,940	(70,457)	-	5,483
Block D Carpark	-	31,500	(2,804)	-	28,696
Caretakers Office/Bathroom	-	18,000	(62,704)	-	(44,704)
Landscaping/Pedestrian	-	-	(2,024)	-	(2,024)
Drink Fountains	-	45,000	(35,423)	-	9,577
Toilet Upgrade	-	(8,314)	(8,294)	-	(16,608)
Roofing Project	-	(15,408)	-	15,408	-
Totals	72,646	516,128	(505,503)	15,408	98,679

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

17. Funds Held for 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 benefit expenses, administration and property management expenses.

18. 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.

19. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	17,187	11,308
<i>Leadership Team</i>		
Remuneration	784,868	812,876
Full-time equivalent members	6	7
Total key management personnel remuneration	802,055	824,184

There are 9 members of the Board excluding the Principal. The Board had held 11 full meetings of the Board in the year. The Board also has Finance two members and Property two 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.

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

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	190-200	190-200
Benefits and Other Emoluments	0-5	0-5
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
120-130	2.00	-
110-120	4.00	4.00
100-110	10.00	9.00
	16.00	13.00

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

20. 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	-	-

21. 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.

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

22. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into no contract agreements for capital works.

(Capital commitments at 31 December 2020)

A contract was signed with Asphalt & Civil Projects Limited in November 2020 for improvements to Block D Carpark for \$19,980 (excluding GST). \$2,804 has been spent in 2020. At balance date there was an outstanding amount due of \$17,176.

A contract was entered into for water fountains for \$78,163 (excluding GST). \$35,423 has been spent in 2020. At balance date there was an outstanding amount due of \$42,740.

23. Financial Instruments

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	178,263	384,626	400,212
Receivables	678,326	632,000	623,484
Investments - Term Deposits	1,692,694	1,700,000	1,972,285
Total Financial assets measured at amortised cost	<u>2,549,283</u>	<u>2,716,626</u>	<u>2,995,981</u>
Financial liabilities measured at amortised cost			
Payables	653,818	612,000	842,197
Finance Leases	109,224	80,000	30,040
Total Financial liabilities measured at amortised cost	<u>763,042</u>	<u>692,000</u>	<u>872,237</u>

24. Events After Balance Date

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

25. Comparatives

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

Tangaroa College

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2021

26. 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.