

WAIKATO DIOCESAN SCHOOL FOR GIRLS - BOARD OF TRUSTEES

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	140
Principal:	Mrs Mary Curran
School Address:	660 River Road, Hamilton 3210
School Postal Address:	Private Bag 3051, Hamilton 3240
School Phone:	(07) 855 2038
School Email:	admin@wdschool.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Raewyn McPhillips	Presiding Member	Elected Parent Rep	Sep-25
Mary Curran	Principal ex Officio	Ex Officio	N/A
Brigham Nordstrom	Deputy Presiding Member	Elected Parent Rep	Sep-25
Vanessa Parker	Parent Representative	Elected	Sep-25
Josie Keucke	Parent Representative	Elected	Sep-25
Hamish Bell	Parent Representative	Elected	Sep-25
Samuel Hood	Parent Representative	Elected	Sep-25
Deborah Nelson	Proprietor Representative	Appointed	May-23
Dr Richard Calderwood	Proprietor Representative	Appointed	May-24
Dean Anne Mills	Proprietor Representative	Appointed	May-23
Susan Webb	Staff Representative	Elected	Sep-25
Isabella Hussey	Student Representative	Elected	Sep-23

Accountant / Service Provider:

PKF Hamilton

WAIKATO DIOCESAN SCHOOL FOR GIRLS - BOARD OF TRUSTEES

Annual Report - For the year ended 31 December 2022

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Waikato Diocesan School for Girls - Board of Trustees

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	7,993,165	8,119,474	7,950,762
Locally Raised Funds	3	3,262,952	3,010,454	3,338,344
Use of Proprietor's Land and Buildings		1,335,078	1,932,576	1,207,860
Interest Income		23,926	5,000	6,352
Gain on Sale of Property, Plant and Equipment		4,421		13,913
Other Revenue		-	-	870
Total Revenue		12,619,542	13,067,504	12,518,101
Expenses				
Locally Raised Funds	3	524,108	379,300	591,213
Learning Resources	4	9,609,377	9,986,205	9,482,025
Administration	5	505,749	508,076	478,449
Finance		3,684	9,399	8,924
Property	6	2,151,066	2,715,384	1,970,863
Other Expenses	7	7,379	13,359	9,790
		12,801,363	13,611,723	12,541,264
Net Surplus / (Deficit) for the year		(181,821)	(544,219)	(23,163)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(181,821)	(544,219)	(23,163)

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

Waikato Diocesan School for Girls - Board of Trustees

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		3,085,768	3,005,723	3,083,321
Total comprehensive revenue and expense for the year		(181,821)	(544,219)	(23,163)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		31,077	21,643	25,610
Equity at 31 December		2,935,024	2,483,147	3,085,768
Accumulated comprehensive revenue and expense		2,774,166	2,331,723	2,955,987
Reserves		160,858	151,424	129,781
Equity at 31 December		2,935,024	2,483,147	3,085,768
Reserves Movements Analysis				
Accumulated surplus/(deficit)				
Balance at 1 January		2,955,987	2,875,942	2,979,150
Surplus/(deficit) for year		(181,821)	(544,219)	(23,163)
Balance 31 December		2,774,166	2,331,723	2,955,987
Furniture and Equipment Reserve				
Balance at 1 January		129,781	129,781	104,171
Furniture & Equipment grant		31,077	21,643	25,610
Balance 31 December		160,858	151,424	129,781

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.

Waikato Diocesan School for Girls - Board of Trustees

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	8	1,203,810	1,595,089	1,217,097
Accounts Receivable	9	833,577	683,816	754,368
GST Receivable		63,367	-	24,936
Prepayments		7,550	-	7,444
Investments	10	1,200,000	-	1,202,937
		<u>3,308,304</u>	<u>2,278,905</u>	<u>3,206,782</u>
Current Liabilities				
Accounts Payable	13	953,315	750,000	821,976
Revenue Received in Advance	14	563,731	398,823	592,905
Finance Lease Liability	16	17,456	-	51,839
		<u>1,534,502</u>	<u>1,148,823</u>	<u>1,466,720</u>
Working Capital Surplus/(Deficit)		1,773,802	1,130,082	1,740,062
Non-current Assets				
Property, Plant and Equipment	11	1,336,247	1,693,751	1,478,179
Intangible Assets	12	26,865	-	5,574
		<u>1,363,112</u>	<u>1,693,751</u>	<u>1,483,753</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	169,802	340,686	131,402
Finance Lease Liability	16	32,091	-	6,645
		<u>201,893</u>	<u>340,686</u>	<u>138,047</u>
Net Assets		<u><u>2,935,022</u></u>	<u><u>2,483,147</u></u>	<u><u>3,085,768</u></u>
Equity		<u><u>2,935,024</u></u>	<u><u>2,483,147</u></u>	<u><u>3,085,768</u></u>

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

Waikato Diocesan School for Girls - Board of Trustees

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		1,760,172	1,802,555	1,619,254
Locally Raised Funds		2,941,562	2,700,631	2,999,231
International Students		242,605	63,199	276,466
Goods and Services Tax (net)		(38,431)	-	(5,193)
Payments to Employees		(2,815,955)	(2,649,474)	(2,594,187)
Payments to Suppliers		(1,868,037)	(1,879,479)	(2,181,803)
Interest Paid		(3,684)	(9,399)	(8,924)
Interest Received		26,863	5,000	6,352
Net cash from/(to) Operating Activities		245,095	33,033	111,196
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		7,949	(22,614)	13,913
Purchase of Property Plant & Equipment (and Intangibles)		(258,224)	(441,719)	(294,240)
Purchase of Investments		-	-	(801,703)
Net cash from/(to) Investing Activities		(250,275)	(464,333)	(1,082,030)
Cash flows from Financing Activities				
Furniture and Equipment Grant		31,077	21,643	25,610
Finance Lease Payments		(39,185)	-	(38,290)
Net cash from/(to) Financing Activities		(8,108)	21,643	(12,680)
Net increase/(decrease) in cash and cash equivalents		(13,288)	(409,657)	(983,514)
Cash and cash equivalents at the beginning of the year	8	1,217,097	2,004,746	2,200,611
Cash and cash equivalents at the end of the year	8	1,203,809	1,595,089	1,217,097

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.

Waikato Diocesan School for Girls - Board of Trustees

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Waikato Diocesan School for Girls - Board of Trustees (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

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 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 expense 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.

A school recognises its obligation to maintain the Proprietor'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 best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance 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. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. 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. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 20b.

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.

Other Ministry Grants for directly funded programs are recorded as revenue when the School has the rights to the funding in the period they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

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

Other Grants where conditions exist

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 recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

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 and Operating 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 expected credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

g) Investments

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

h) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

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

i) Intangible Assets

Software costs

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

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

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

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. 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.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

k) Accounts Payable

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

l) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 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. Remeasurements are recognised in surplus or deficit in the period in which they arise.

m) Revenue Received in Advance

Revenue received in advance relates to fees received from international 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.

n) Funds Held in Trust

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

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

o) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTLB programme), all income and expenditure related to the provision of the service is recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

p) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. 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 the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The school carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

q) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

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. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

r) 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.

s) 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.

t) Budget Figures

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

u) Services received in-kind

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

2. Government Grants

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Government Grants - Ministry of Education	1,787,702	1,642,358	1,737,375
Teachers' Salaries Grants	6,205,463	6,477,116	6,213,387
	<u>7,993,165</u>	<u>8,119,474</u>	<u>7,950,762</u>

3. Locally Raised Funds

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Revenue			
Donations & Bequests	1,836,028	1,798,556	1,742,208
Curriculum related Activities - Purchase of goods and services	186,089	124,500	255,809
Fees for Extra Curricular Activities	266,208	115,455	280,932
Other Revenue	642,120	662,120	675,101
International Student Fees	332,507	309,823	384,294
	<u>3,262,952</u>	<u>3,010,454</u>	<u>3,338,344</u>
Expenses			
Extra Curricular Activities Costs	338,219	250,900	361,017
International Student - Student Recruitment	37,368	50,000	45,324
International Student - Employee Benefit - Salaries	136,587	76,800	174,803
International Student - Other Expenses	11,934	1,600	10,069
	<u>524,108</u>	<u>379,300</u>	<u>591,213</u>
Surplus/ (Deficit) for the year Locally raised funds	<u>2,738,844</u>	<u>2,631,154</u>	<u>2,747,131</u>

Donations include a \$23,844 donation from the WDSG Association to fulfil the purchasing of items to support the delivery of both curricular and extra curricular activities.

During the year the School hosted 18 International students (2021:20)

There were no overseas trips during the year to 31 December 2022. (2021: 0)

4. Learning Resources

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	554,612	710,888	637,277
Information and Communication Technology	292,276	188,885	179,363
Library Resources	5,606	-	3,591
Employee Benefits - Salaries	8,310,217	8,557,751	8,200,915
Staff Development	29,614	84,350	37,322
Depreciation	417,052	444,331	423,557
	<u>9,609,377</u>	<u>9,986,205</u>	<u>9,482,025</u>

5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	10,354	10,146	12,014
Board Fees	7,755	5,610	6,120
Board Expenses	20,709	8,000	9,667
Communication	5,292	8,000	8,856
Consumables	5,414	11,500	7,723
Other	81,434	90,500	79,358
Employee Benefits - Salaries	337,583	325,720	305,815
Insurance	23,661	23,600	21,451
Service Providers, Contractors and Consultancy	13,547	25,000	27,445
	<u>505,749</u>	<u>508,076</u>	<u>478,449</u>

6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	22,675	36,500	25,996
Consultancy and Contract Services	864	10,000	3,287
Cyclical Maintenance Provision	48,000	48,000	48,000
Grounds	13,563	15,000	10,671
Heat, Light and Water	163,780	124,000	114,937
Repairs and Maintenance	226,376	253,000	212,132
Use of Land and Buildings	1,335,078	1,932,576	1,207,860
Security	13,300	14,000	12,685
Employee Benefits - Salaries	327,430	282,308	335,295
	<u>2,151,066</u>	<u>2,715,384</u>	<u>1,970,863</u>

In 2021, the Ministry of Education revised the use of land and buildings (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 2022, the use of land and buildings figure represents 5% of the school's total property value. The property value is based on Hamilton City Council's rateable value.

7. Other Expenses

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Loss on Uncollectable Accounts Receivable	-	-	-
Amortisation of Intangible Assets	7,379	13,359	9,790
Impairment of Property, Plant and Equipment	-	-	-
Transport	-	-	-

8. Cash and Cash Equivalents

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Bank Accounts	\$ 755,827	\$ 1,196,266	\$ 667,588
Bank International Student funds	447,983	398,823	549,509
Cash and cash equivalents for Statement of Cash Flows	<u>1,203,810</u>	<u>1,595,089</u>	<u>1,217,097</u>

Of the \$1,203,810 Cash and Cash Equivalents, \$115,748 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

9. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Teacher Salaries Grant Receivable	\$ 578,530	\$ 683,816	\$ 506,800
Proprietors Contra account	255,047	-	247,568
	<u>833,577</u>	<u>683,816</u>	<u>754,368</u>

Receivables from Exchange Transactions	-	-	-
Receivables from Non-Exchange Transactions	833,577	683,816	754,368

	<u>833,577</u>	<u>683,816</u>	<u>754,368</u>
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10. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Current Asset	\$	\$	\$
Short-term Bank Deposits	1,200,000	-	1,202,937
Total Investments	<u>1,200,000</u>	<u>-</u>	<u>1,202,937</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Furniture and Equipment	1,077,927	50,123	(3,527)		(224,949)	899,574
Information and Communication Technology	240,869	125,166			(111,334)	254,701
Motor Vehicles	75,828	-			(22,615)	53,213
Leased Assets	42,779	50,213			(43,979)	49,013
Library Resources	40,072	13,125			(14,175)	39,022
Capital Work in Progress	704	40,020			-	40,724
Balance at 31 December 2022	1,478,179	278,647	(3,527)	-	(417,052)	1,336,247

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	3,078,187	(2,178,613)	899,574	3,023,405	(1,945,478)	1,077,927
Information and Communication T	2,926,842	(2,672,141)	254,701	2,801,676	(2,560,807)	240,869
Motor Vehicles	203,633	(150,420)	53,213	225,033	(149,205)	75,828
Leased Assets	249,733	(200,720)	49,013	200,637	(157,858)	42,779
Library Resources	39,022	-	39,022	40,072	-	40,072
Capital Work in Progress	40,724	-	40,724	704	-	704
Balance at 31 December	6,538,141	(5,201,894)	1,336,247	6,291,527	(4,813,348)	1,478,179

12. Intangible Assets

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

	Acquired software	Internally generated software	Total \$
Cost			
Balance at 1 January 2021	150,048	-	150,048
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2021 / 1 January 2022	150,048	-	150,048
Additions	28,670	-	28,670
Disposals	-	-	-
Balance at 31 December 2022	178,718	-	178,718
Accumulated Amortisation and impairment losses			
Balance at 1 January 2021	134,685	-	134,685
Amortisation expense	9,790	-	9,790
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2021 / 1 January 2022	144,475	-	144,474
Amortisation expense	7,379	-	7,379
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2022	151,854	-	151,853
Carrying amounts			
At 1 January 2021	15,363	-	15,363
At 31 December 2021 / 1 January 2022	5,573	-	5,574
At 31 December 2022	26,864	-	26,865

Restrictions

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

Capital commitments

The amount of contractual commitments for the acquisition of intangible assets is \$nil (2021: \$nil)

13. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	88,559	100,000	47,387
Accruals	23,962	650,000	26,523
Banking Staffing Overuse	16,861	-	68,982
Employee Entitlements - Salaries	722,086	-	600,482
Employee Entitlements - Leave Accrual	101,847	-	78,602
	<u>953,315</u>	<u>750,000</u>	<u>821,976</u>
Payables for Exchange Transactions	848,070	750,000	778,735
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	105,245		43,241
Payables for Non-exchange Transactions - Other			
	<u>953,315</u>	<u>750,000</u>	<u>821,976</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Grants in Advance - Ministry of Education	115,748	-	55,020
International Student Fees in Advance	447,983	398,823	537,885
	<u>563,731</u>	<u>398,823</u>	<u>592,905</u>

15. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	131,402	131,402	94,161
Increase to the Provision During the Year	48,000	48,000	48,000
Use of the Provision During the Year	(9,600)	(48,000)	(10,759)
Provision at the End of the Year	<u>169,802</u>	<u>131,402</u>	<u>131,402</u>
Cyclical Maintenance - Non current	169,802	-	131,402
	<u>169,802</u>	<u>-</u>	<u>131,402</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:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
No Later than One Year	21,271		54,800
Later than One Year and no Later than Five Years	35,021		6,915
Later than Five Years			
Future Finance Charges	(6,746)		(3,231)
	<u>49,546</u>	<u>-</u>	<u>58,484</u>
Represented by			
Finance lease liability - Current	17,456		51,839
Finance lease liability - Non current	32,091		6,645
	<u>49,546</u>	<u>-</u>	<u>58,484</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.

The Proprietor of the School (Waikato Board of Diocesan Schools) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the Proprietor collects funds on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(c). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

Under an agency agreement, the Proprietor collects funds on behalf of the School. These include donations and sundry charges to students (such as sports fees) payable to the School. The amounts collected in total were \$1,930,739 (2021: \$2,033,732). These represent revenue in the financial statements of the school.

In addition the School administers the payroll for the Proprietor's non teaching staff.

Any balance not transferred at the year end is treated as a liability. The total funds held by the proprietor on behalf of the school are \$255,047 (2021: \$247,568).

There is no charge for these services.

The Proprietor provides boarding and canteen services that are used by some of the school's students.

The Proprietor provides the School with a Special Character Grant of \$621,726 (2021: \$656,355) to provide teaching and activities that are not funded by the Ministry of Education, but which reflect the special character of the school. In addition, the Proprietor paid the School \$20,394 (2021: \$20,832) for the use of the School's health services by pupils in the boarding house.

18. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	7,755	6,120
 <i>Leadership Team</i>		
Remuneration	735,671	708,969
Full-time equivalent members	5.3	5.3
 Total key management personnel remuneration	743,426	715,089

There are 11 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. The Board also has Finance (2 members) and Property (2 members) that meet monthly. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	170-180	160-170
Benefits and Other Emoluments	5-10	5-10
Termination Benefits	-	-

Other Employees

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

	Remuneration \$000	2022 FTE Number	2021 FTE Number
Salary and Other Payments	100 - 110	10.00	10.00
Salary and Other Payments	110 - 120	3.00	2.00
Salary and Other Payments	120 - 130	2.00	2.00
		15.00	14.00

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:

	2022	2021
	Actual	Actual
Total	\$0	\$0
Number of People	0	0

20. Contingencies

There are no contingent liabilities (except as noted below) as at **31 December 2022** (Contingent liabilities **31 December 2021**: nil). The Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School has not been notified of the final wash up calculation relating to 31 December 2022. The final calculations impact on the financial statements is unable to be determined at the date of reporting.

The Board was notified of a claim of \$10,000 alleging a breach of contract. The Board has not recognised this matter in the financial statements because the likelihood of the claim surfacing is not probable as there is no substance to the matter.

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 2022, a contingent liability for the school may exist.

21. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has not entered into contract agreements for capital works.

(Capital commitments at 31 December 2021: nil)

(b) Operating Commitments

As at 31 December 2022 the school does not have any operating lease

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	1,203,810	1,595,089	1,217,097
Receivables	833,577	683,816	754,368
Investments - Term Deposits	1,200,000	-	1,202,937
Total Financial assets measured at amortised cost	<u>3,237,387</u>	<u>2,278,905</u>	<u>3,174,402</u>

Financial liabilities measured at amortised cost

Payables	848,070	750,000	821,976
Finance Leases	49,546	-	58,484
Total Financial Liabilities Measured at Amortised Cost	<u>897,616</u>	<u>750,000</u>	<u>880,460</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.