

BLLENHEIM SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 2811

Principal: Denyse Healy

School Address: 11 Seymour Street

School Postal Address: 11 Seymour Street, Blenheim, 7201

School Phone: 03 577 5542

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Accountant / Service Provider:

Education  *Services.*
Dedicated to your school

BLLENHEIM SCHOOL

Annual Report - For the year ended 31 December 2021

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Blenheim School

Statement of Responsibility

For the year ended 31 December 2021

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2021 fairly reflects the financial position and operations of the school.

The School's 2021 financial statements are authorised for issue by the Board.

TIMOTHY JAMES DUGHTON

Full Name of Commissioner

Kellyann Thorslensen

Full Name of Principal

[Signature]

Signature of Commissioner

[Signature]

Signature of Principal

02/03/2023

Date:

02.03.2023

Date:

Blenheim School
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	1,289,646	1,976,089	2,171,951
Locally Raised Funds	3	62,144	43,600	49,595
Interest Income		289	1,800	1,228
		<u>1,352,079</u>	<u>2,021,489</u>	<u>2,222,774</u>
Expenses				
Locally Raised Funds	3	22,581	3,500	14,301
Learning Resources	4	927,522	1,637,675	1,781,834
Administration	5	145,496	90,910	95,604
Finance		2,621	69	1,648
Property	6	259,850	260,325	226,284
Depreciation	11	31,977	15,000	30,832
Loss on Disposal of Property, Plant and Equipment		-	-	3,830
Transport		2,006	-	-
		<u>1,392,053</u>	<u>2,007,479</u>	<u>2,154,333</u>
Net Surplus / (Deficit) for the year		(39,974)	14,010	68,441
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>(39,974)</u></u>	<u><u>14,010</u></u>	<u><u>68,441</u></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.

Blenheim School
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		198,288	98,964	129,847
Total comprehensive revenue and expense for the year		(39,974)	14,010	68,441
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		3,705	-	-
ICT Network and Cybersecurity Support		10,949	-	-
Equity at 31 December		172,968	112,974	198,288
Retained Earnings		172,968	112,974	198,288
Equity at 31 December		172,968	112,974	198,288

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.

Blenheim School Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	7	94,297	82,607	133,121
Accounts Receivable	8	89,850	70,176	128,124
GST Receivable		-	5,958	15,853
Prepayments		5,307	4,057	6,440
Inventories	9	-	-	2,730
Investments	10	-	61,714	64,188
		189,454	224,512	350,456
Current Liabilities				
GST Payable		1,776	-	-
Accounts Payable	12	71,861	94,343	148,494
Revenue Received in Advance	13	3,151	18,465	1,916
Provision for Cyclical Maintenance	14	-	10,527	-
Finance Lease Liability	15	4,071	11,651	13,586
Funds held on behalf of RTM Cluster	16	12,681	10,473	7,281
Funds held for Capital Works Projects	17	6,353	-	19,306
Funds for RTLB services	18	-	-	45,525
		99,893	145,459	236,108
Working Capital Surplus/(Deficit)		89,561	79,053	114,348
Non-current Assets				
Property, Plant and Equipment	11	137,802	104,631	128,002
		137,802	104,631	128,002
Non-current Liabilities				
Provision for Cyclical Maintenance	14	47,500	52,522	38,000
Painting Contract Liability		-	-	-
Finance Lease Liability	15	6,895	18,188	6,062
		54,395	70,710	44,062
Net Assets		172,968	112,974	198,288
Equity		172,968	112,974	198,288

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

Blenheim School
Statement of Cash Flows
For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		306,447	305,274	339,154
Locally Raised Funds		37,630	53,800	59,405
Goods and Services Tax (net)		17,629	-	(27,475)
Payments to Employees		(197,507)	(152,910)	(189,785)
Payments to Suppliers		(235,209)	(155,585)	(161,721)
Interest Paid		(2,621)	(69)	-
Interest Received		289	1,800	1,322
Net cash from/(to) Operating Activities		(73,342)	52,310	20,900
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(34,367)	(5,000)	(12,148)
Purchase of Investments		-	-	(921)
Proceeds from Sale of Investments		64,188	-	-
Net cash from/(to) Investing Activities		29,821	(5,000)	(13,069)
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,705	-	-
Owners Contributions		10,949	-	-
Finance Lease Payments		(2,404)	(2,588)	(10,328)
Funds Administered on Behalf of Third Parties		(7,553)	-	(195,550)
Net cash from/(to) Financing Activities		4,697	(2,588)	(205,878)
Net increase/(decrease) in cash and cash equivalents		(38,824)	44,722	(198,047)
Cash and cash equivalents at the beginning of the year	7	133,121	37,885	331,168
Cash and cash equivalents at the end of the year	7	94,297	82,607	133,121

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.

Blenheim School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

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

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) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

Inventories are consumable items held for sale and 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 are depreciated over their estimated useful lives on a straight line 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	20-50 years
Furniture and equipment	5-20 years
Information and communication technology	5 years
Motor vehicles	5 years
Library resources	12.5% Diminishing value
Leased assets held under a Finance Lease	Term of Lease

k) 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 or licensing of software 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.

l) 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.

m) 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.

n) 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 twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

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

o) Revenue Received in Advance

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

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

p) 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 Comprehensive Revenue and Expenses.

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

q) Shared Funds

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

r) 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.

s) 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.

t) 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.

u) 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.

v) Budget Figures

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

w) 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	247,400	237,350	259,477
Teachers' Salaries Grants	739,723	1,500,490	1,619,247
Use of Land and Buildings Grants	162,009	170,325	188,514
Other MoE Grants	139,081	64,924	95,182
Other Government Grants	1,433	3,000	9,531
	1,289,646	1,976,089	2,171,951

The school has opted in to the donations scheme for this year. Total amount received was \$14,100.

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	3,764	17,100	5,875
Fees for Extra Curricular Activities	11,821	8,500	13,609
Trading	4,669	4,000	6,442
Fundraising & Community Grants	26,838	10,000	6,855
Other Income	15,052	4,000	16,814
	62,144	43,600	49,595
Expenses			
Extra Curricular Activities Costs	9,012	-	8,364
Trading	12,771	3,500	5,242
Fundraising & Community Grant Costs	-	-	695
Other Expense	798	-	-
	22,581	3,500	14,301
<i>Surplus for the year Locally raised funds</i>	39,563	40,100	35,294

4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	29,955	25,935	21,083
Library Resources	876	250	104
Employee Benefits - Salaries	889,105	1,604,990	1,755,264
Staff Development	7,586	6,500	5,383
	927,522	1,637,675	1,781,834

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	5,000	3,500	3,956
Board Fees	3,550	3,000	3,090
Board Expenses	415	5,900	1,924
Communication	2,732	3,700	9,654
Consumables	4,895	12,500	10,982
Other	21,457	17,600	18,007
Employee Benefits - Salaries	43,246	35,410	37,397
Insurance	4,089	4,300	4,144
Service Providers, Contractors and Consultancy	5,432	5,000	6,450
Healthy School Lunch Programme	54,680	-	-
	145,496	90,910	95,604

6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	4,417	4,500	6,356
Cyclical Maintenance Provision	9,500	15,000	(48,517)
Grounds	597	3,000	1,853
Heat, Light and Water	13,854	12,000	10,104
Rates	2,524	2,500	4,504
Repairs and Maintenance	15,692	19,200	22,911
Use of Land and Buildings	162,009	170,325	188,514
Security	1,286	800	2,481
Employee Benefits - Salaries	19,612	13,000	14,189
Constructor & Consultancy	30,359	20,000	23,889
	259,850	260,325	226,284

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.

7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	29,860	82,607	133,121
Short-term Bank Deposits	64,437	-	-
Cash and cash equivalents for Statement of Cash Flows	94,297	82,607	133,121

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

Of the \$94,297 Cash and Cash Equivalents \$11,344 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	30,822	70,176	5,073
Interest Receivable	-	-	20
Teacher Salaries Grant Receivable	59,028	-	123,031
	<u>89,850</u>	<u>70,176</u>	<u>128,124</u>
Receivables from Exchange Transactions	30,822	70,176	5,093
Receivables from Non-Exchange Transactions	59,028	-	123,031
	<u>89,850</u>	<u>70,176</u>	<u>128,124</u>

9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Uniform	-	-	2,730
	<u>-</u>	<u>-</u>	<u>2,730</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	-	61,714	64,188
Total Investments	<u>-</u>	<u>61,714</u>	<u>64,188</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Building Improvements	35,927	-	-	-	(2,275)	33,652
Furniture and Equipment	57,801	12,227	-	-	(11,448)	58,579
Information and Communication Technolog	4,393	22,621	-	-	(3,781)	23,232
Motor Vehicles	-	10,000	-	-	(152)	9,848
Leased Assets	19,541	10,019	(13,558)	-	(12,786)	3,217
Library Resources	10,340	469	-	-	(1,535)	9,274
Balance at 31 December 2021	128,002	55,336	(13,558)	-	(31,977)	137,802

The net carrying value of equipment held under a finance lease is \$3,217 (2020: \$19,541)

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	76,021	(42,369)	33,652	76,021	(40,094)	35,927
Furniture and Equipment	122,697	(64,118)	58,579	110,470	(52,669)	57,801
Information and Communication Technolog	42,148	(18,916)	23,232	19,528	(15,135)	4,393
Motor Vehicles	10,000	(152)	9,848	50,120	(30,579)	19,541
Leased Assets	18,574	(15,357)	3,217	30,558	(20,218)	10,340
Library Resources	31,027	(21,753)	9,274			
Balance at 31 December	300,467	(162,665)	137,802	286,697	(158,695)	128,002

12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	5,389	94,343	18,319
Accruals	3,500	-	2,956
Employee Entitlements - Salaries	59,028	-	124,465
Employee Entitlements - Leave Accrual	3,944	-	2,754
	71,861	94,343	148,494
Payables for Exchange Transactions	71,861	94,343	148,494
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	71,861	94,343	148,494

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Grant Income in Advance	-	18,465	-
Student Balances in Credit	3,151	-	1,916
	3,151	18,465	1,916

14. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	38,000	48,049	-
Increase to the Provision During the Year	9,500	15,000	12,089
Adjustment to the Provision	-	-	25,911
Provision at the End of the Year	47,500	63,049	38,000
Cyclical Maintenance - Current	-	10,527	-
Cyclical Maintenance - Term	47,500	52,522	38,000
	47,500	63,049	38,000

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	5,982	11,651	14,579
Later than One Year and no Later than Five Years	8,727	18,188	6,347
Future finance charges	(3,743)	-	(1,278)
	10,966	29,839	19,648
Represented by			
Finance lease liability - Current	4,071	11,651	13,586
Finance lease liability - Term	6,895	18,188	6,062
	10,966	29,839	19,648

16. Funds held on behalf of RTM Cluster

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held at Beginning of the Year	7,281	10,473	7,546
Funds Received from Cluster Members	15,928	-	12,270
Funds Spent on Behalf of the Cluster	(10,528)	-	(12,535)
	12,681	10,473	7,281

Blenheim School is the lead school and holds funds on behalf of the RTM cluster, a group of schools funded by the Ministry of Education to share enhancing Te Reo.

17. Funds Held (Owed) for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects.

	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
2021						
213922 Essential Toilet/Electrical Work	213922	10,629	35,034	(42,996)	-	2,667
Roof Work (2019)		8,677	-	-	-	8,677
222455 Staffroom	222455	-	58,905	(61,812)	-	(2,907)
216695 Veranda Roof	216695	-	110,400	(112,484)	-	(2,084)
Totals		19,306	204,339	(217,292)	-	6,353

Represented by:

Funds Held on Behalf of the Ministry of Education			11,344
Funds Due from the Ministry of Education			(4,991)
			6,353

	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
2020						
213922 Essential Toilet/Electrical Work	213922	188,118	6,503	(183,992)	-	10,629
Roof Work (2019)		13,280	-	(4,603)	-	8,677
Totals		201,398	6,503	(188,595)	-	19,306

18. Funds for RTLB Services

Blenheim School was the lead school funded by the Ministry of Education to provide the services of Resource Teachers of Learning and Behaviour to its cluster of schools in year 2020.

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds held at beginning of the year	45,525	-	58,718
<i>Revenue</i>			
Administration Grant	-	-	33,249
Learning Support Funding	-	-	67,883
Travel Grant	-	-	69,953
Establishment Grant	-	-	-
Other Revenue	1,205	-	-
	1,205	-	171,085
Total funds available	46,730	-	229,803
<i>Expenses</i>			
Administration	6,560	-	80,732
Learning Support	-	-	86,343
Year 11-13	-	-	2,230
Travel	86	-	14,973
Transfer to Renwick School	40,084	-	-
	46,730	-	184,278
Purchase of Assets	-	-	-
Funds Held at Year End	-	-	45,525

19. 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.

20. 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	3,550	3,090
<i>Leadership Team</i>		
Remuneration	369,160	235,420
Full-time equivalent members	4.11	2.00
Total key management personnel remuneration	372,710	238,510

There are 7 members of the Board excluding the Principal. The Board had held 7 full meetings of the Board in the year. As these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 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	120 - 130	130 - 140
Benefits and Other Emoluments	0 - 10	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
100 - 110	1.00	1.00
	1.00	1.00

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

21. 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	-	-

22. 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.

23. Commitments

(a) Capital Commitments

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

\$244,527 contract for the 213922 Essential Toilet/Electrical Work as agent for the Ministry of Education. This project is fully funded by the Ministry and \$243,214 has been received of which \$240,547 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$64,220 contract for the 222455 Staffroom as agent for the Ministry of Education. This project is fully funded by the Ministry and \$58,905 has been received of which \$61,812 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$132,466 contract for the 216695 Veranda Roof as agent for the Ministry of Education. This project is fully funded by the Ministry and \$110,400 has been received of which \$112,484 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2020:

\$244,527 contract for the 213922 Essential Toilet/Electrical Work as agent for the Ministry of Education. This project is fully funded by the Ministry and \$208,181 has been received of which \$197,552 has been spent on the project to balance date. This project has been approved by the Ministry; and

(b) Operating Commitments

There are no operating commitments as at 31 December 2021 (Operating commitments at 31 December 2020: nil).

24. 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	94,297	82,607	133,121
Receivables	89,850	70,176	128,124
Investments - Term Deposits	-	61,714	64,188
Total Financial assets measured at amortised cost	184,147	214,497	325,433

Financial liabilities measured at amortised cost

Payables	71,861	94,343	148,494
Finance Leases	10,966	29,839	19,648
Total Financial Liabilities Measured at Amortised Cost	82,827	124,182	168,142

25. Events After Balance Date

On the 1st of April 2022 a Limited Statutory Manager was appointed to the School. On the 20th of June 2022 the board was dissolved and a Commissioner appointed, who remains in place as at the date of authorisation of these accounts.

26. Comparatives

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

27. 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.

Blenheim School

Kiwisport

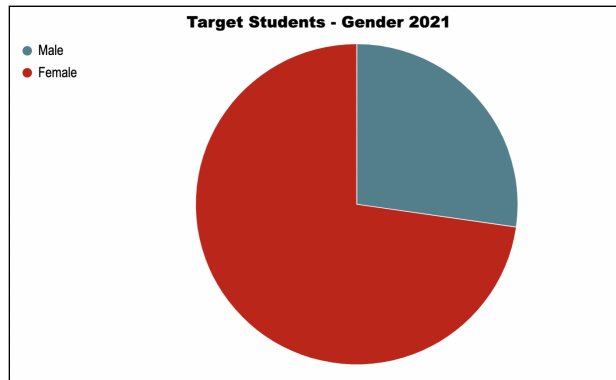
Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2021, the school received total Kiwisport funding of \$1,305 (excluding GST). The funding was spent on sporting endeavours.

Data Analysis

Target Student Reporting – EOY 2021

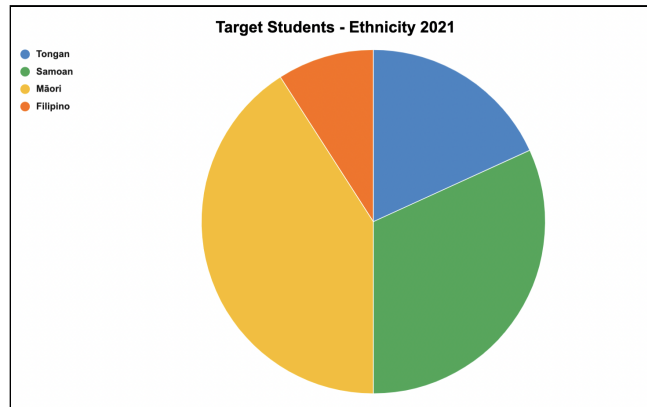
At the end of Term 4, 2021, we had 22 Target Students from Year 1 in Structured Literacy and Year 2-6 in Maths, that teachers focussed their Spirals of Inquiry on. For demographic breakdown see graphs below:

Gender:



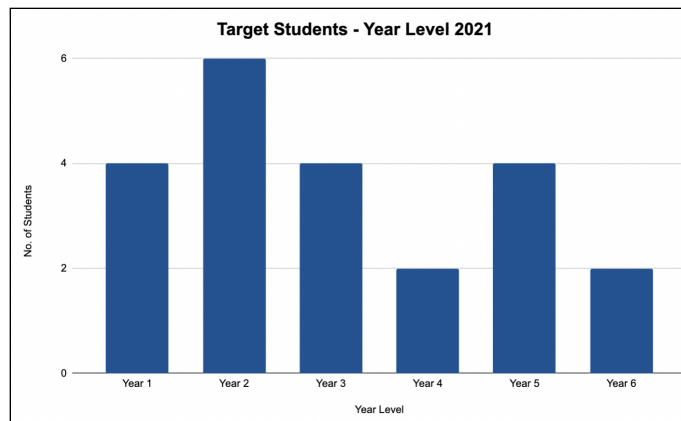
Female: 16, Male: 6

Ethnicity:



Māori: 9, Samoan: 7, Tongan: 4, Filipino: 2, New Zealand European: 0

Year Level:



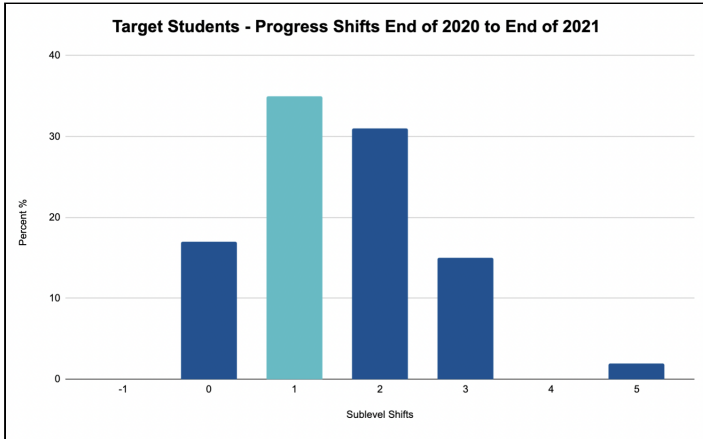
Predictions of Progress

This year we again focussed on progress shifts related to expected end of year (EOY) curriculum levels which are as follows:

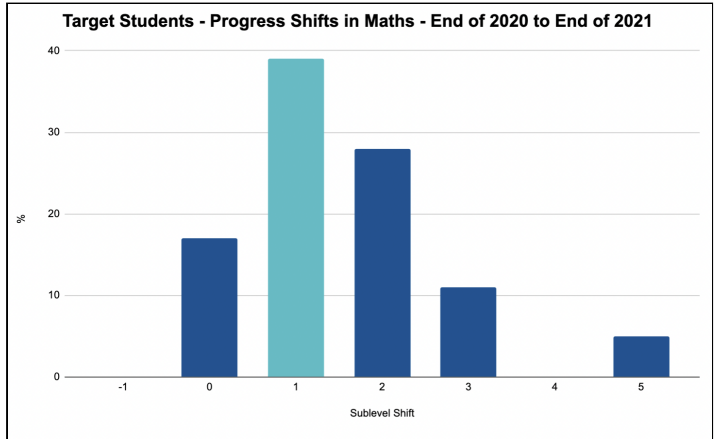
End of Year Expected Curriculum Level					
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Middle Level 1	End Level 1	Middle Level 2	End Level 2	Middle Level 3	End Level 3

Each curriculum level takes approximately two years to achieve and is broken into 3 sublevels (i.e. beginning, middle and end), during a one year period it is reasonable to make one to one and a half sublevel gains. Two or more sublevel shifts within this period would be considered accelerated progress.

Progress Shifts:



All Curriculum Areas: -1=0, 0=9, 1=19, 2=17, 3=8, 4=0, 5=1

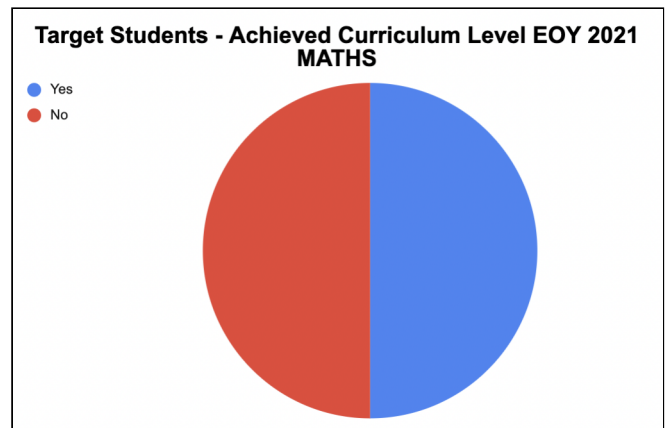
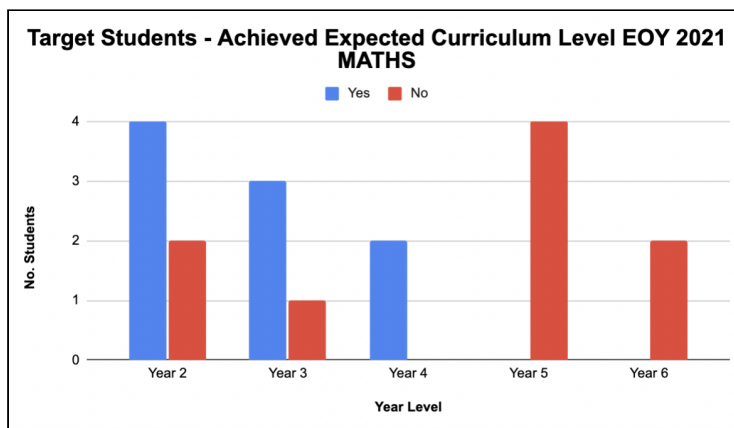


Maths Curriculum -1=0, 0=3, 1=7, 2=5, 3=2, 4=0, 5=1

With the exception of Year 1 students starting at different times throughout the year therefore not having progress recorded, the above graph on the left shows the sub-level shifts from all three curriculum levels for Year 2 - 6 students.

With the exception of Year 1 students starting at different times throughout the year and focusing on Structured Literacy therefore not having progress recorded, the above graph on the right shows the sub-level shifts in Maths for Year 2 - 6 students.

At the end of the year, 39% (x 7 students) of the MOE **Maths Target Students** made a one sub-level shift in progress, while a pleasing 44% (x 8 students) made accelerated progress (2 or more sublevel shifts).



The data shows that 50% (x 9 students) Year 2-4 students of the **Maths MOE Target Students** reached their expected curriculum level at the end of the year.

General Findings and Discussion

Each teacher began the year with 6 students in their class that they focussed their 'Spirals of Inquiry' on throughout the year. All students were on the 'below' continuum in Maths.

We have had one WSL (Within School Lead), Kellyann Thorstensen, supporting teachers and working with DMIC Mentor - Cathee Wilks, as well as ASLs - Bridget Cleary and Hazel Halton.

Achievement of mathematics for our target students is as follows:

- Of our six Māori students - Year 2-Year 6, two students (33%) achieved accelerated progress of two sublevels, and three students (50%) made one sublevel progress. Three Māori students (50%) achieved their expected curriculum level in maths at the end of the year.
- Of our eleven Pasifika students - Year 2-Year 6, five students (45%) achieved accelerated progress of two sublevels or more, and four students (36%) made one sublevel progress. Five Pasifika students (45%) achieved their expected curriculum level in maths at the end of the year.
- Our one Asian student - Year 2-Year 6, progressed five sublevels in Maths and achieved their expected curriculum level in maths at the end of the year.
- We had no NZ / European students as target students in 2021.
- In terms of gender, 6 of the 13 girls - Year 2-Year 6 (46%) achieved the expected curriculum level in maths at the end of the year, while 3 of the 5 boys - Year 2-Year 6 (60%) achieved the expected curriculum level in maths at the end of the year.

Teachers used a variety of strategies to try to improve student progress in Maths over the course of the year, including DMIC - Developing Mathematical Inquiry Communities, and the Spirals of Inquiry process. Occasionally, teachers would discuss their spirals with each other and discuss their students' progress.

An influence on learning progress again this year was the COVID-19 Pandemic, as we were in lockdown Level 4 and 3 for 3 weeks. Teachers tried hard to connect with their Spiral of Inquiry target students during lockdown, however there were mixed responses in levels of engagement. Some children thrived and showed progress, while others did not. Equity was also an issue with parent support and engagement, access to devices, distractions in the home, etc.

Another influence on progress is our involvement in the DMIC (Developing Mathematical Inquiry Communities) school wide professional development. This is a complete change in pedagogy and changes in teaching practice have been made gradually over the past two years.

Below are some reflections from teachers' Spiral of Inquiry. These focussed on deliberate teacher actions and how they made an impact for our target students.

- Persisting patiently; not jumping in to help. This does not come naturally, but stepping back and giving the students time to process is imperative.
- Let kids explore their learning in their own 21st century way. You can't visualise the end product but they can - just go with it.
- TALK MOVES. Using these in the classroom across the curriculum enables us to not only check for understanding, but increases student engagement with the learning tasks.
- Using the talk moves across the curriculum helped to develop a solid foundation in Maths also making the children feel confident and safe to share.
- Don't undervalue giving your students status. It took a while to see the value in this but something as simple as adding a child's name into a problem was enough to engage him in the lesson and put forward ideas in ways that he hadn't previously done.
- Everyone is valued and has a valuable contribution to make. Establish the NORMS well, and the group will flourish when students inquire into their own learning.
- Consistency! Do Maths the same every day. Use the skills in all areas so children are using talk moves all the time and are expected to speak on the spot. Build the culture from day 1.

In conclusion our Target Students results show room for improvement, however, a pleasing acknowledgment of 9/18 students (50%) achieving their expected curriculum level at the end of the year. What is also pleasing to see is that 15/18 (83%) Year 2-Year 4 target students made a progress shift in their maths learning (although not necessarily reaching their EOY curriculum level).

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF BLENHEIM SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Blenheim School (the School). The Auditor-General has appointed me, Michael Rondel, using the staff and resources of BDO Christchurch, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2021; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 2 March 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as

applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of

material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Analysis of Variance and Kiwisport report, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Michael Rondel,
BDO Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand