

BELFAST SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 3922

Principal: Sue Elley

School Address: 700 Main North Road
Belfast
Christchurch 8051

School Phone: (03) 323 8849

School Email:

Members of the Board of Trustees

Name	Position	Term Ends
Caroline Elkington	Presiding Member	Sep-22
Simon King	Vice Chairperson	Sep-22
Curtis Mitchell	Parent rep	Sep-22
Jo Hall	Parent rep	Sep-22
Jarrold Southon	Parent rep	Sep-22
Jonathon Brooks	Parent rep	Sep-22
Jacqui Page	Staff rep	Sep-22
Sue Elley	Principal	

89 Nazareth Avenue
Christchurch
Ph: 03 338 4444



BELFAST SCHOOL

Annual Report - For the year ended 31 December 2021

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Belfast School

Statement of Responsibility

For the year ended 31 December 2021

The Board of Trustees 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 2020 financial statements are authorised for issue by the Board.

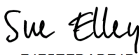
Caroline Elkington

Sue Elley

Full Name of Presiding Member

Full Name of Principal

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Signature of Presiding Board Member

Signature of Principal

23 May 2022

23 May 2022

Date:

Date:

Belfast School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	3,652,916	3,611,025	3,690,614
Locally Raised Funds	3	100,565	4,950	88,715
Interest income		953	5,000	4,222
International Students	4	(14,760)	9,000	40,805
		3,739,674	3,629,975	3,824,356
Expenses				
Locally Raised Funds	3	56,533	-	72,913
International Students	4	532	-	-
Learning Resources	5	2,755,084	2,673,885	2,810,693
Administration	6	272,524	243,315	220,461
Finance		1,500	-	1,537
Property	7	633,149	619,150	702,903
Depreciation	11	75,814	72,500	84,405
		3,795,136	3,608,850	3,892,912
Net Surplus / (Deficit) for the year		(55,462)	21,125	(68,556)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(55,462)	21,125	(68,556)

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



Belfast School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	Actual 2021 \$	Budget (Unaudited) 2021 \$	Actual 2020 \$
Balance at 1 January		451,877	451,877	502,354
Total comprehensive revenue and expense for the year		(55,462)	21,125	(68,556)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	18,079
Equity at 31 December	21	396,415	473,002	451,877
Retained Earnings		396,415	473,002	451,877
Equity at 31 December		396,415	473,002	451,877

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.



Belfast School

Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	16,169	116,744	11,731
Accounts Receivable	9	194,471	149,627	149,627
GST Receivable		-	5,010	5,010
Prepayments		191	-	-
Investments	10	240,000	270,000	270,000
Funds held for Capital Works Projects	16	0	-	11,388
		450,831	541,381	447,756
Current Liabilities				
GST Payable		(8,489)	-	-
Accounts Payable	12	243,622	201,202	201,202
Revenue Received in Advance	13	12,177	9,000	9,000
Finance Lease Liability	15	28,609	28,609	35,698
		275,919	238,811	245,900
Working Capital Surplus/(Deficit)		174,912	302,570	201,856
Non-current Assets				
Investments	10	2,000	2,000	2,000
Property, Plant and Equipment	11	240,482	217,905	290,405
		242,482	219,905	292,405
Non-current Liabilities				
Finance Lease Liability	15	20,979	20,979	42,384
		20,979	20,979	42,384
Net Assets		396,415	501,496	451,877
Equity	21	396,415	473,002	451,877

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

Belfast 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		898,201	735,058	988,133
Locally Raised Funds		114,772	(26,315)	69,253
International Students		(23,760)	18,000	38,002
Goods and Services Tax (net)		(3,479)	(110)	(112)
Payments to Employees		(586,489)	(418,318)	(707,489)
Payments to Suppliers		(381,252)	(330,513)	(363,750)
Cyclical Maintenance Payments in the year		-	(500)	
Interest Paid		(1,500)	-	(1,537)
Interest Received		942	4,886	4,186
Net cash from/(to) Operating Activities		17,435	(17,812)	26,686
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(57,335)	20,805	(3,447)
Purchase of Investments		30,000	30,000	(71,083)
Net cash from/(to) Investing Activities		(27,335)	50,805	(74,530)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	18,079
Finance Lease Payments		2,950	(49,057)	(38,019)
Funds Held for Capital Works Projects		11,388	-	(11,388)
Net cash from/(to) Financing Activities		14,338	(49,057)	(31,328)
Net increase/(decrease) in cash and cash equivalents		4,438	(16,064)	(79,172)
Cash and cash equivalents at the beginning of the year	8	11,731	104,314	90,903
Cash and cash equivalents at the end of the year	8	16,169	88,250	11,731

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.

Belfast School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Belfast 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 of Trustees (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.

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.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. 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.

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) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of 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 expense that is offset by a non-cash grant from the Ministry.

e) 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.

f) 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.

g) 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.

h) 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.

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:
Building improvements to Crown Owned Assets
Furniture and equipment
Information and communication technology
Leased assets held under a Finance Lease
Library resources

10–40 years
10 years
5 years
Term of Lease
12.5% Diminishing value

k) 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.

l) Accounts Payable

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



m) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

n) Revenue Received in Advance

Revenue received in advance relates to fees received from students 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.

o) Provision for Cyclical Maintenance

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

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

p) Financial Instruments

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

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

The School's financial liabilities comprise accounts payable, 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.

q) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

r) Budget Figures

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

s) Services received in-kind

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

2. Government Grants

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	745,906	837,025	689,332
Teachers' Salaries Grants	2,352,037	2,352,000	2,211,465
Use of Land and Buildings Grants	397,348	397,000	491,016
Other MoE Grants	157,625	25,000	298,801
	3,652,916	3,611,025	3,690,614

The school has opted in to the donations scheme for this year. Total amount received was \$76,050.

3. Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	4,526	4,000	5,536
Fees for Extra Curricular Activities	31,005	450	46,314
Trading	8,804	500	14,563
Other Revenue	56,230	-	22,302
	100,565	4,950	88,715
Expenses			
Extra Curricular Activities Costs	46,546	-	56,891
Trading	5,700	-	13,235
Other Locally Raised Funds Expenditure	4,287	-	2,787
	56,533	-	72,913
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	44,032	4,950	15,802

4. International Student Revenue and Expenses

	2021	2021	2020
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	1	1	6
	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
International Student Fees	(14,760)	9,000	40,805
Expenses			
MOE Overseas Levy	532	-	-
	532	-	-
<i>Surplus/ (Deficit) for the year International Students</i>	(14,228)	9,000	40,805



5. Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	44,414	59,950	46,513
Information and Communication Technology	24,669	30,000	30,575
Library Resources	1,577	3,500	723
Employee Benefits - Salaries	2,672,322	2,567,235	2,720,395
Staff Development	12,102	13,200	12,486
	2,755,084	2,673,885	2,810,692

6. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,366	3,500	3,635
Board of Trustees Fees	5,170	6,500	5,825
Board of Trustees Expenses	339	600	339
Communication	6,608	8,000	8,088
Consumables	2,793	2,500	2,979
Operating Lease	(88)	21,500	1,023
Other	53,071	52,545	43,263
Employee Benefits - Salaries	193,641	141,900	150,082
Insurance	5,624	6,270	5,228
	272,524	243,315	220,461

7. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	13,609	12,500	17,283
Consultancy and Contract Services	57,232	65,000	62,494
Cyclical Maintenance Provision	-	500	-
Grounds	3,297	2,750	2,786
Heat, Light and Water	34,444	30,000	27,034
Rates	9,943	10,000	9,388
Repairs and Maintenance	41,244	26,400	28,718
Use of Land and Buildings	397,348	397,000	491,016
Employee Benefits - Salaries	76,032	75,000	64,184
	633,149	619,150	702,903

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.



8. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	16,169	116,744	11,731
Cash and cash equivalents for Statement of Cash Flows	16,169	116,744	11,731

9. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	-	2,030	2,030
Interest Receivable	125	114	114
Teacher Salaries Grant Receivable	194,346	147,483	147,483
	194,471	149,627	149,627
Receivables from Exchange Transactions	125	2,144	2,144
Receivables from Non-Exchange Transactions	194,346	147,483	147,483
	194,471	149,627	149,627

10. Investments

The School's investment activities are classified as follows:

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	240,000	270,000	270,000
CES Shares	2,000	2,000	2,000
Total Investments	242,000	272,000	272,000



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	100,055				(8,336)	91,719
Furniture and Equipment	74,067				(15,364)	58,703
Information and Communication Technology	26,653	16,371			(13,297)	29,727
Leased Assets	78,704	8,310			(37,299)	49,715
Library Resources	10,926	1,209			(1,517)	10,618
Balance at 31 December 2021	290,405	25,890	-	-	(75,813)	240,482

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2021	\$	\$	\$
Buildings	236,385	(144,666)	91,719
Furniture and Equipment	616,597	(557,894)	58,703
Information and Communication Technology	254,210	(224,483)	29,727
Leased Assets	126,866	(77,152)	49,714
Library Resources	54,735	(44,116)	10,619
Balance at 31 December 2021	1,288,793	(1,048,311)	240,482

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	108,391				(8,336)	100,055
Furniture and Equipment	96,986	1,796			(24,720)	74,067
Information and Communication Technology	38,810				(12,157)	26,653
Leased Assets	61,430	54,905			(37,631)	78,704
Library Resources	10,835	1,853	(201)		(1,561)	10,926
Balance at 31 December 2020	316,452	58,554	(201)	-	(84,405)	290,405

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	236,385	(136,330)	100,055
Furniture and Equipment	673,424	(599,357)	74,067
Information and Communication Technology	524,504	(497,851)	26,653
Leased Assets	158,310	(79,606)	78,704
Library Resources	53,525	(42,599)	10,926
Balance at 31 December 2020	1,646,146	(1,355,744)	290,405



12. Accounts Payable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Creditors	15,768	19,480	19,480
Accruals	5,852	4,722	4,722
Banking Staffing Overuse	8,700	5,330	5,330
Employee Entitlements - Salaries	195,880	147,484	147,484
Employee Entitlements - Leave Accrual	17,422	24,186	24,186
	243,622	201,202	201,202
Payables for Exchange Transactions	243,622	201,202	201,202
	243,622	201,202	201,202

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
International Student Fees in Advance	-	9,000	9,000
Other revenue in Advance	12,177	-	-
	12,177	9,000	9,000

14. Provision for Cyclical Maintenance

The School is part of the Christchurch Schools Rebuild Programme which will result in the School's buildings either being repaired or rebuilt in the future. At the present time there is significant uncertainty over how the programme will affect the School. As a result, the School cannot make a reliable estimate of the maintenance required on the School's buildings so no cyclical maintenance provision has been recognised.

We also draw your attention to the Contingent Liability note 21, which explains that while it has not been possible to recognise a cyclical maintenance provision, the obligation still remains for the School to maintain those buildings that will not be rebuilt. Therefore, held within the school's cash and investment reserves for future maintenance is \$68,932.

The basis of estimate used by the Board was to roll forward the existing plan until such time a new plan can be submitted to the Ministry for approval. 'Consequently the provision for cyclical maintenance has been reversed in 2014 due to there being a significant uncertainty over how the programme will affect the school.



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	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	29,636	29,636	35,698
Later than One Year and no Later than Five Years	21,425	21,425	42,384
Future Finance Charges	(1,473)	(1,473)	
	49,588	49,588	78,082
Represented By			
Finance lease liability - Current	28,609	28,609	35,698
Finance lease liability - term	20,979	20,979	42,384
	49,588	49,588	78,082

15. Funds held in Trust

	2021	2021	2020
	Actual	Budget	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	-	-	-
	-	-	-

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

16. Funds Held for Capital Works Projects

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

	2021	Opening	Receipts		BOT	Closing
		Balances	from MoE	Payments	Contributions	Balances
		\$	\$	\$	\$	\$
New Build Year 5/8	in progress	(198)	-	-	198	-
Remediation Work Block 14	in progress	(11,191)	38,900	27,934	225	0
						-
Totals		(11,389)	38,900	27,934	423	0
Represented by:						
Funds Held on Behalf of the Ministry of Education						-
Funds Due from the Ministry of Education						0
						(0)
New Build Year 5/8	in progress	-	-	197	-	(198)
Remediation Work Block 14	in progress	-	-	11,191	-	(11,191)
						-
Totals		-	-	11,388	-	(11,389)

17. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.



18. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
Board Members Remuneration	5,170	5,825
Leadership Team Remuneration	262,318	262,696
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	267,488	268,521
Total full-time equivalent personnel	2.20	2.20

There are SEVEN members of the Board excluding the Principal. There were eight Board meetings, as well as these, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	140-150
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100-110	2	3
110-120	1	
	3	3

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

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

20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of boards, through payroll service provider Education Payroll Limited.

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2021, a contingent liability for the school may exist.



21. Commitments

(a) Capital Commitments

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

(Capital commitments at 31 December 2020: \$11,388)

22. Financial Instruments

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

Financial assets measured at amortised cost

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	16,169	116,744	11,731
Receivables	194,471	149,627	149,627
Investments - Term Deposits	240,000	270,000	270,000
Total Financial assets measured at amortised cost	450,640	536,371	431,358

Financial liabilities measured at amortised cost

Payables	243,622	201,202	201,202
Finance Leases	49,588	49,588	78,082
Total Financial Liabilities Measured at Amortised Cost	293,210	250,790	279,284

23. Events After Balance Date

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

24. Comparatives

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

25. COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Reduction in locally raised funds

Under alert levels 4,3, and 2 the school’s ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.



Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.

Reduction in International students

Under alert levels 4, 3, 2, and 1 International travel is heavily restricted. The school has been unable to welcome and enrol prospective international students which has resulted in a reduction in revenue from student fees & charges from International students and/or Board of Trustee operated boarding facilities.



Belfast School

Kiwi Sport Funding 2021

Kiwi Sport is a Government funding initiative to support students' participation in organised sport.

In 2021, the school received total Kiwi Sport funding of **\$7,227.91** (excluding GST).

The funding was spent on employing a Kiwi Sport Co-ordinator for 2 days per week; and the balance was used to purchase sports equipment.

The number of students that participated in organised sport was **515**.

INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF BELFAST SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Belfast School (the School). The Auditor-General has appointed me, Warren Johnstone, 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 18, 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 23 May 2022. 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 Statement of Responsibility, Members of the Board Listing and the Kiwisport Statement, but does not include the financial statements, and our auditor's report thereon.

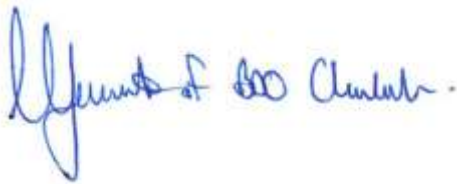
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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.



Warren Johnstone,
BDO Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand