

# MERRIN SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

**Ministry Number:** 3434

**Principal:** Lisa Dillon-Roberts

**School Address:** 41 Merrin Street, Avonhead Christchurch

**School Postal Address:** 41 Merrin Street, Avonhead Christchurch

**School Phone:** 03 358 8369

**School Email:** [office@merrin.school.nz](mailto:office@merrin.school.nz)

#### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Greg Hansen	Presiding Member	Re-elected June 2019	May-22
Lisa Dillon-Roberts	Principal ex Officio	Opointed Oct 2022	
Susmita Das	Parent Representative	Elected Nov 2020	Nov-23
Mark Stuckey	Parent Representative	Elected June 2019	May-22
Jasmine Rohland	Parent Representative	Co-opted June 2019	May-22
Ross McGregor	Parent Representative	Elected Nov 2020	Nov-23
Tania Gallagher	Staff Representative	Elected June 2019	May-22

# MERRIN SCHOOL

Annual Report - For the year ended 31 December 2021

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# Merrin 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.

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Greg Hansen

DocuSigned by:  
*Greg Hansen*  
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Signature of Presiding Member

25 May 2022

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Date:

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Lisa Dillon-Roberts

DocuSigned by:  
*Lisa Dillon-Roberts*  
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Signature of Principal

25 May 2022

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Date:

# Merrin School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	3,470,544	3,250,064	3,493,774
Locally Raised Funds	3	188,280	157,000	249,034
Interest Income		13,905	5,000	28,663
International Students	4	5,370	-	95,494
		<u>3,678,099</u>	<u>3,412,064</u>	<u>3,866,965</u>
<b>Expenses</b>				
Locally Raised Funds	3	107,646	91,500	123,923
International Students	4	2,296	-	13,692
Learning Resources	5	2,714,790	2,601,631	2,613,893
Administration	6	186,839	233,483	211,925
Finance		-	-	3,965
Property	7	536,980	597,214	591,074
Depreciation	11	72,178	61,000	70,659
Loss on Disposal of Property, Plant and Equipment		835	-	790
		<u>3,621,564</u>	<u>3,584,828</u>	<u>3,629,921</u>
<b>Net Surplus / (Deficit) for the year</b>		56,535	(172,764)	237,044
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>56,535</u>	<u>(172,764)</u>	<u>237,044</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.

# Merrin School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>		1,505,102	1,505,102	1,268,058
Total comprehensive revenue and expense for the year		56,535	(172,764)	237,044
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		109,837	-	-
<b>Equity at 31 December</b>		1,671,474	1,332,338	1,505,102

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.

# Merrin School

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	35,441	127,273	197,352
Accounts Receivable	9	233,782	196,047	196,046
GST Receivable		7,429	14,597	14,597
Prepayments		18,851	435	435
Investments	10	942,074	1,011,829	1,114,515
		<u>1,237,577</u>	<u>1,350,181</u>	<u>1,522,945</u>
<b>Current Liabilities</b>				
Accounts Payable	12	216,622	233,615	233,615
Revenue Received in Advance	13	2,232	1,092	1,092
Finance Lease Liability	14	27,399	28,885	28,885
		<u>246,253</u>	<u>263,592</u>	<u>263,592</u>
<b>Working Capital Surplus/(Deficit)</b>		991,324	1,086,589	1,259,353
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	689,301	278,096	278,096
		<u>689,301</u>	<u>278,096</u>	<u>278,096</u>
<b>Non-current Liabilities</b>				
Finance Lease Liability	14	9,151	32,347	32,347
		<u>9,151</u>	<u>32,347</u>	<u>32,347</u>
<b>Net Assets</b>		<u>1,671,474</u>	<u>1,332,338</u>	<u>1,505,102</u>
<b>Equity</b>		<u>1,671,474</u>	<u>1,332,338</u>	<u>1,505,102</u>

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

# Merrin School

## Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,011,751	2,296,929	1,035,537
Locally Raised Funds		141,356	128,192	231,320
International Students		5,370	-	3,005
Goods and Services Tax (net)		7,168	(14,597)	(14,152)
Payments to Employees		(598,796)	(544,071)	(612,961)
Payments to Suppliers		(526,067)	(448,899)	(457,911)
Interest Paid		-	-	(3,965)
Interest Received		21,929	(5,588)	30,599
Net cash from/(to) Operating Activities		62,711	1,411,966	211,472
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		6,422	133,370	(790)
Purchase of Property Plant & Equipment (and Intangibles)		(483,203)	(339,216)	(12,023)
Purchase of Investments		172,441	(1,011,829)	(109,963)
Net cash from/(to) Investing Activities		(304,340)	(1,217,675)	(122,776)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		109,837	-	-
Finance Lease Payments		(30,119)	(67,018)	(26,700)
Net cash from/(to) Financing Activities		79,718	(67,018)	(26,700)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(161,911)</b>	<b>127,273</b>	<b>61,996</b>
Cash and cash equivalents at the beginning of the year	8	197,352	-	135,355
<b>Cash and cash equivalents at the end of the year</b>	8	<b>35,441</b>	<b>127,273</b>	<b>197,351</b>

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.

# Merrin School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Merrin 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 13.

###### *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.

For Integrated Groups this note should also include the following:

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

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

#### **Other Grants**

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

#### **Donations, Gifts and Bequests**

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

#### **Interest Revenue**

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

### **d) Finance Lease Payments**

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

### **e) Cash and Cash Equivalents**

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

### **f) Accounts Receivable**

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

### **g) Investments**

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

### **h) Property, Plant and Equipment**

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

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

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

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

#### **Finance Leases**

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

#### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–75 years
Board Owned Buildings	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

### **i) 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.

### **j) 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.

### **k) 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

**l) 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.

**m) 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.

**n) Budget Figures**

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

**u) Services received in-kind**

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

## 2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	771,399	636,277	739,460
Teachers' Salaries Grants	2,182,019	2,059,203	2,059,203
Use of Land and Buildings Grants	276,774	399,034	399,034
Other MoE Grants	199,832	155,550	210,934
Other Government Grants	40,520	-	85,143
	<b>3,470,544</b>	<b>3,250,064</b>	<b>3,493,774</b>

## 3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>			
Donations & Bequests	45,819	44,500	54,276
Fees for Extra Curricular Activities	110,660	91,000	142,931
Trading	2,060	500	293
Other Revenue	29,741	21,000	51,534
	<b>188,280</b>	<b>157,000</b>	<b>249,034</b>
<b>Expenses</b>			
Extra Curricular Activities Costs	105,921	91,000	123,660
Trading	1,725	500	263
	<b>107,646</b>	<b>91,500</b>	<b>123,923</b>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<b>80,634</b>	<b>65,500</b>	<b>125,111</b>

## 4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	2	0	8
<b>Revenue</b>			
International Student Fees	5,370	-	95,494
<b>Expenses</b>			
Other Expenses	2,296	-	13,692
	<b>2,296</b>	<b>-</b>	<b>13,692</b>
<i>Surplus/ (Deficit) for the year International Students</i>	<b>3,074</b>	<b>-</b>	<b>81,802</b>

## 5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	1,019	8,600	5,721
Resource/attached teacher costs	79,268	116,479	71,097
Information and Communication Technology	6,017	10,000	10,115
Library Resources	3,248	3,000	3,283
Employee Benefits - Salaries	2,604,772	2,434,052	2,503,374
Staff Development	20,466	29,500	20,303
	<u>2,714,790</u>	<u>2,601,631</u>	<u>2,613,893</u>

## 6. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	4,847	4,000	3,978
Board Fees	2,854	6,000	3,246
Board Expenses	4,792	5,000	4,066
Communication	3,661	5,000	4,988
Consumables	2,141	3,500	2,276
Operating Lease	-	28,533	22,625
Other	37,158	40,450	35,128
Employee Benefits - Salaries	125,267	135,000	129,576
Insurance	6,119	6,000	6,042
	<u>186,839</u>	<u>233,483</u>	<u>211,925</u>

## 7. Property

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	16,445	11,000	17,565
Consultancy and Contract Services	55,778	55,000	52,391
Grounds	2,100	3,500	2,577
Heat, Light and Water	22,470	28,000	21,645
Rates	6,120	5,980	5,640
Repairs and Maintenance	99,110	40,000	41,344
Use of Land and Buildings	276,774	399,034	399,034
Security	9,158	12,200	7,747
Employee Benefits - Salaries	49,025	42,500	43,131
	<u>536,980</u>	<u>597,214</u>	<u>591,074</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by the 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 (Unaudited)	Actual
	\$	\$	\$
Bank Accounts	35,441	127,273	197,352
Cash and cash equivalents for Statement of Cash Flows	<u>35,441</u>	<u>127,273</u>	<u>197,352</u>

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

## 9. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	77,963	29,900	29,899
Interest Receivable	2,564	10,588	10,588
Teacher Salaries Grant Receivable	153,255	155,559	155,559
	<u>233,782</u>	<u>196,047</u>	<u>196,046</u>
Receivables from Exchange Transactions	80,527	40,488	40,487
Receivables from Non-Exchange Transactions	153,255	155,559	155,559
	<u>233,782</u>	<u>196,047</u>	<u>196,046</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	942,074	1,011,829	1,114,515
	<u>942,074</u>	<u>1,011,829</u>	<u>1,114,515</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	79,771	460,036			(5,096)	<b>534,711</b>
Furniture and Equipment	49,207	12,165			(11,211)	<b>50,161</b>
Information and Communication Technology	22,957	2,650	(393)		(11,312)	<b>13,902</b>
Grounds Equipment	33,938				(9,054)	<b>24,884</b>
Office Equipment	14,910	3,930			(2,606)	<b>16,234</b>
Leased Assets	59,932	5,437			(30,782)	<b>34,587</b>
Library Resources	17,381		(442)		(2,117)	<b>14,822</b>
<b>Balance at 31 December 2021</b>	<b>278,096</b>	<b>484,218</b>	<b>(835)</b>	<b>-</b>	<b>(72,178)</b>	<b>689,301</b>

The net carrying value of equipment held under a finance lease is **\$34,587 (2020: \$59,932)**

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	605,027	(70,317)	<b>534,710</b>	144,991	(65,220)	<b>79,771</b>
Furniture and Equipment	337,059	(286,899)	<b>50,160</b>	324,894	(275,687)	<b>49,207</b>
Information and Communication T	224,532	(210,629)	<b>13,903</b>	227,310	(204,353)	<b>22,957</b>
Motor Vehicles	175,238	(150,354)	<b>24,884</b>	175,238	(141,300)	<b>33,938</b>
Textbooks	61,362	(45,127)	<b>16,235</b>	57,432	(42,522)	<b>14,910</b>
Leased Assets	133,687	(99,100)	<b>34,587</b>	128,250	(68,318)	<b>59,932</b>
Library Resources	50,153	(35,331)	<b>14,822</b>	51,461	(34,080)	<b>17,381</b>
<b>Balance at 31 December</b>	<b>1,587,058</b>	<b>(897,757)</b>	<b>689,301</b>	<b>1,109,576</b>	<b>(831,480)</b>	<b>278,096</b>



## 12. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	56,840	69,778	69,778
Employee Entitlements - Salaries	153,255	155,559	155,559
Employee Entitlements - Leave Accrual	6,527	8,278	8,278
	<u>216,622</u>	<u>233,615</u>	<u>233,615</u>
Payables for Exchange Transactions	56,840	69,778	69,778
Payables for Non-exchange Transactions - Other	159,782	163,837	163,837
	<u>216,622</u>	<u>233,615</u>	<u>233,615</u>

The carrying value of payables approximates their fair value.

## 13. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Other revenue in Advance	2,232	1,092	1,092
	<u>2,232</u>	<u>1,092</u>	<u>1,092</u>

#### 14. 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	27,399	28,885	28,885
Later than One Year and no Later than Five Years	9,151	32,347	32,347
Future Finance Charges	-	-	-
	<u>36,550</u>	<u>61,232</u>	<u>61,232</u>
<b>Represented by</b>			
Finance lease liability - Current	27,399	28,885	28,885
Finance lease liability - Term	9,151	32,347	32,347
	<u>36,550</u>	<u>61,232</u>	<u>61,232</u>

## 15. Related Party Transactions

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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.

Stuart Dillon-Roberts is the husband of the principal Lisa Dillon-Roberts who owns a one third share of Hail which provides management of our school newsletter, training, logo design and website features. The total value of all transactions for the year was \$2,388 (2020: \$2,388) and no amount is outstanding as at balance date (Prior Period: nil). Because this amount is less than \$25,000 (excl GST) for the year the contract does not require Ministry approval under s10 of Schedule 23 of the Education and Training Act 2020.

## 16. Remuneration

### *Key management personnel compensation*

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

	<b>2021 Actual \$</b>	<b>2020 Actual \$</b>
<i>Board Members</i> Remuneration	2,854	3,010
<i>Leadership Team</i> Remuneration	264,712	362,395
Full-time equivalent members	2	3
Total key management personnel remuneration	<u>267,566</u>	<u>365,405</u>

There are 6 members of the Board excluding the Principal. The Board held 7 full meetings during the year. The Board also has a Finance representative that meets with our Bursar before each meeting. The Board also has a Property representative that has met with the Principal and other external providers often throughout the year, due to the rebuild. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters, largely related to Covid-19

### *Principal 1*

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

	<b>2021 Actual \$000</b>	<b>2020 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	150-160
Benefits and Other Emoluments	1-10	1-10

### *Other Employees*

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

<b>Remuneration \$000</b>	<b>2021 FTE Number</b>	<b>2020 FTE Number</b>
100 - 110	2.00	1.00
	<u>2.00</u>	<u>1.00</u>

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

## 17. 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.

## 18. Commitments

### (a) Capital Commitments

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

(a) \$32,000 contract for a Building Removal and refurbishment to be completed in 2022 which will be fully funded by the Board.

(Capital commitments at 31 December 2020: \$Nil)

## 19. 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	35,441	127,273	197,352
Receivables	233,782	196,047	196,046
Investments - Term Deposits	942,074	1,011,829	1,114,515
Total Financial assets measured at amortised cost	<u>1,211,297</u>	<u>1,335,149</u>	<u>1,507,913</u>

### Financial liabilities measured at amortised cost

Payables	216,622	233,615	233,615
Finance Leases	36,550	61,232	61,232
Total Financial Liabilities Measured at Amortised Cost	<u>253,172</u>	<u>294,847</u>	<u>294,847</u>

## 20. Events After Balance Date

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

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

## 21. 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.

**Impact on Learning Achievement** which is evident via the Analysis of Variance. This was not solely due to the interruptions to school life, but the social implications, stress and anxiety for families was very apparent in 2021.

# 2021-2022 Merrin School Student Achievement Information/Analysis of Variance

	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Totals
Boys	34	22	36	33	38	32	27	222
Girls	24	28	19	30	43	18	25	187
2022 New	13	7	5	4	7	4	4	44
ESOL	25	24	23	19	17	6	2	116
NZ/Euro	22	18	16	16	29	18	19	138
Asian	24	23	31	35	34	15	24	186
Māori	6	3	4	7	9	10	7	46
MELAA	4	2	3	4	7	4	1	25
Pacifika	2	4	1	1	2	3	1	14

## The Numbers

The numbers to the left show the current students at our school and were used for the achievement graphs. It is worth noting the lower number of girls in the Year 4 cohort and the high numbers of ESOL learners in Year 2, 3 and 4. Also, when looking at the graphs about ethnicity, it is worth keeping in mind the smaller size of the MELAA and Pacifika groups, as well as some of the Māori year groups.

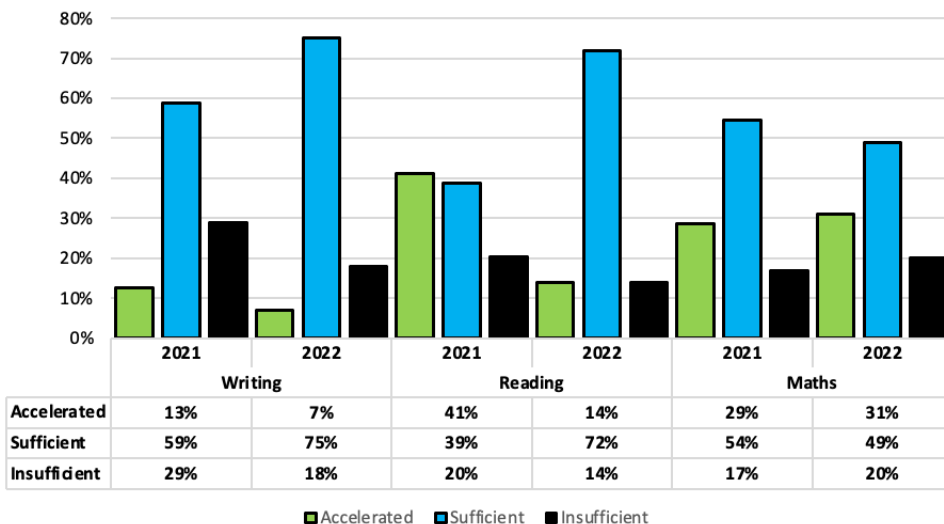
## Progress Graphs

These graphs indicate if children have made sufficient progress or not over the course of the last year. This can only be measured if children were here and tested in Term 1 of 2021 and 2022 (Reading = 357 children, Writing = 358 children and Maths = 344 children). Because of this, the cohort groups are smaller.

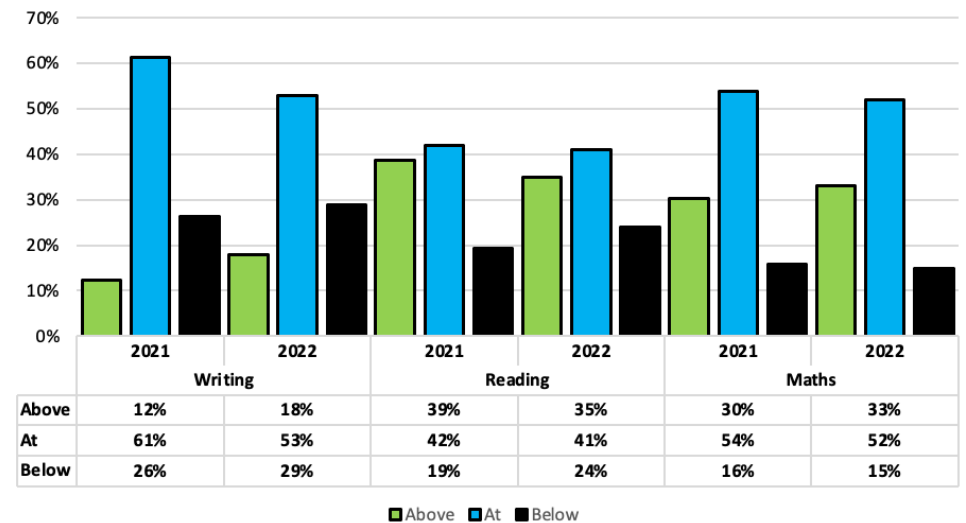
## Achievement Graphs

These graphs indicate whether children are at, above or below for their time at school. It includes all students that are currently enrolled.

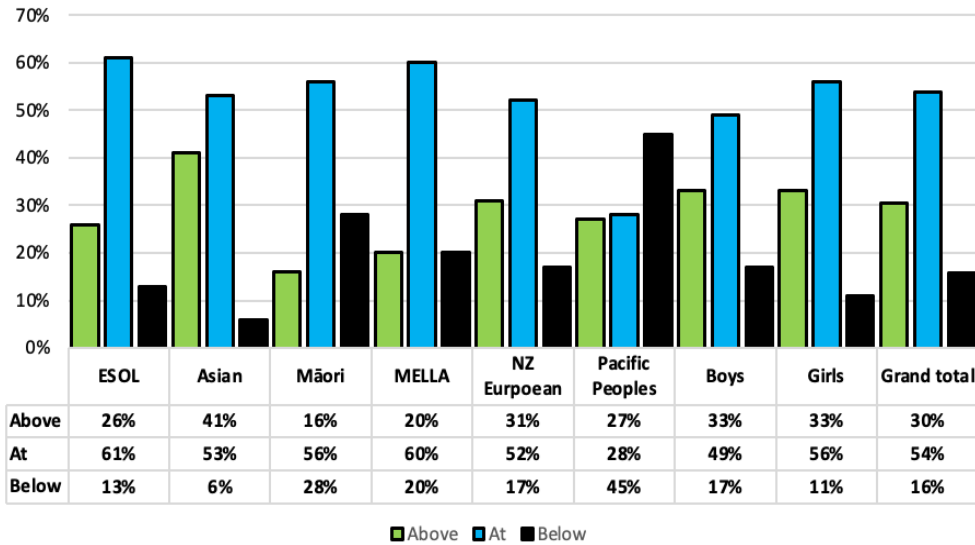
### 2021-2022 Overall Progress



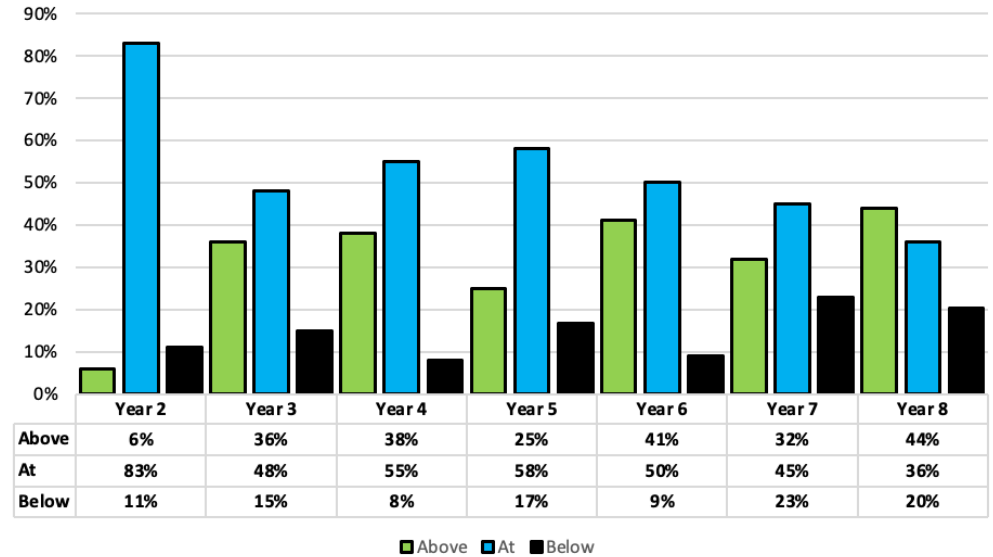
### 2021-2022 Overall Achievement



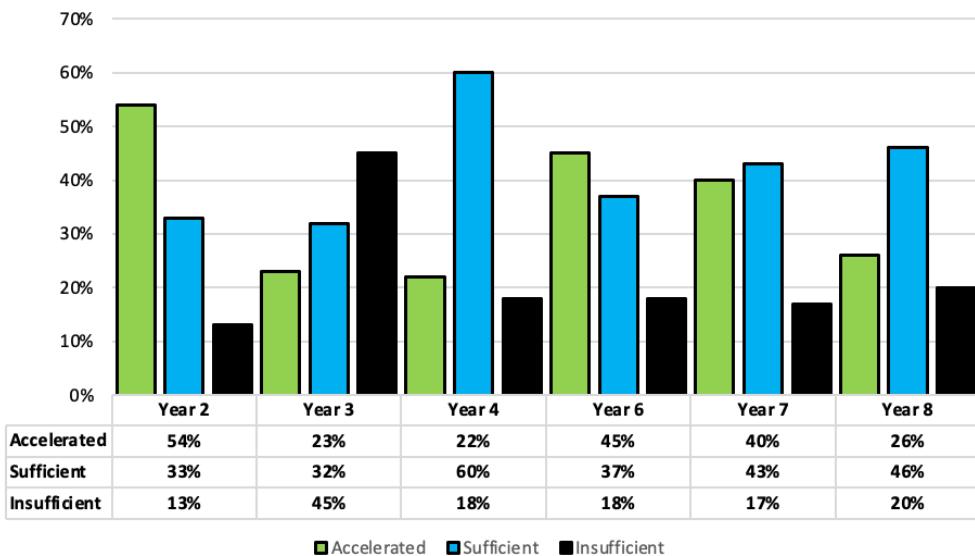
### 2021-2022 Maths Achievement by Group



### 2021-2022 Maths Achievement by Year Level



### 2021-2022 Maths Progress by Year Level



### Maths points to note

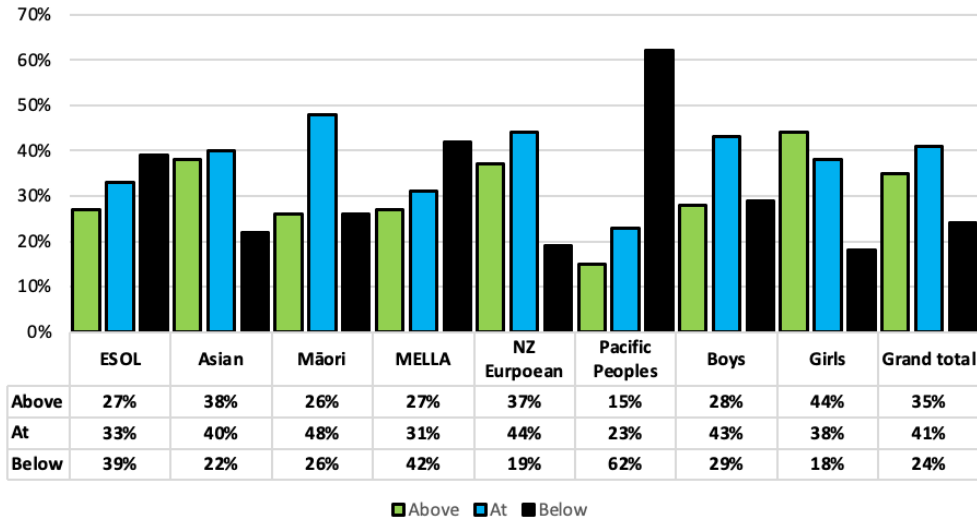
For Year 2-4 students, the data is based on the Addition and Subtraction Global Strategy Stage assessment. Year 5-8 students completed a Progress and Achievement Test (PAT) in Maths. It tests a range of mathematical areas and gives a stanine (based on the bell curve where 1-3 is below expectation, 4-6 is at expectation and 7-9 is above expectation). Most students don't change stanines, so we use the scaled score to help measure sufficient progress.

Overall, Maths progress and achievement are both relatively similar when compared to last year - and at a high level.

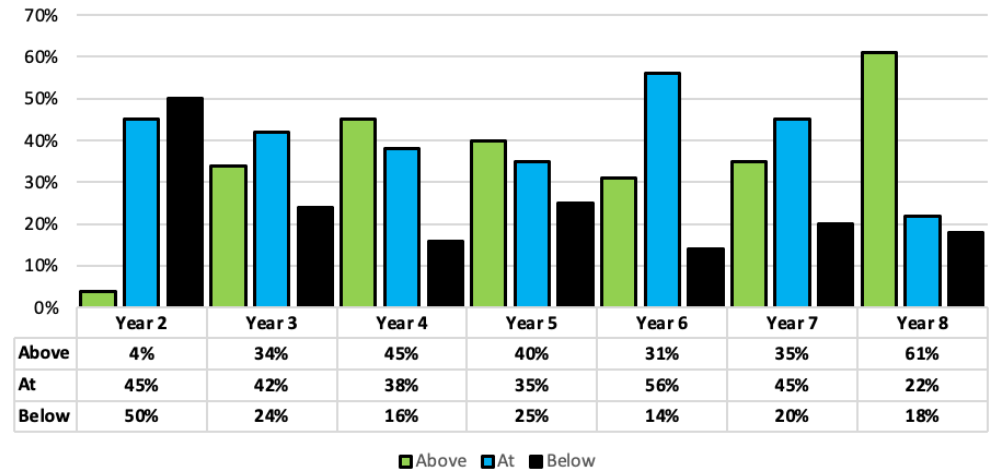
There is a high proportion of Year 2 (54%), Year 6 (45%) and Year 7 (40%) children that made accelerated progress. A larger percentage of Year 3 students made insufficient progress (this may potentially be due to this level being where there is a jump from counting actual objects, to manipulating numbers in their head). Pacific Peoples have a higher percentage below (45%) than other groups (between 6% and 28%)

There is a comparatively high percentage of Year 8 students above (44%) and fewer Māori students achieving above the expected level.

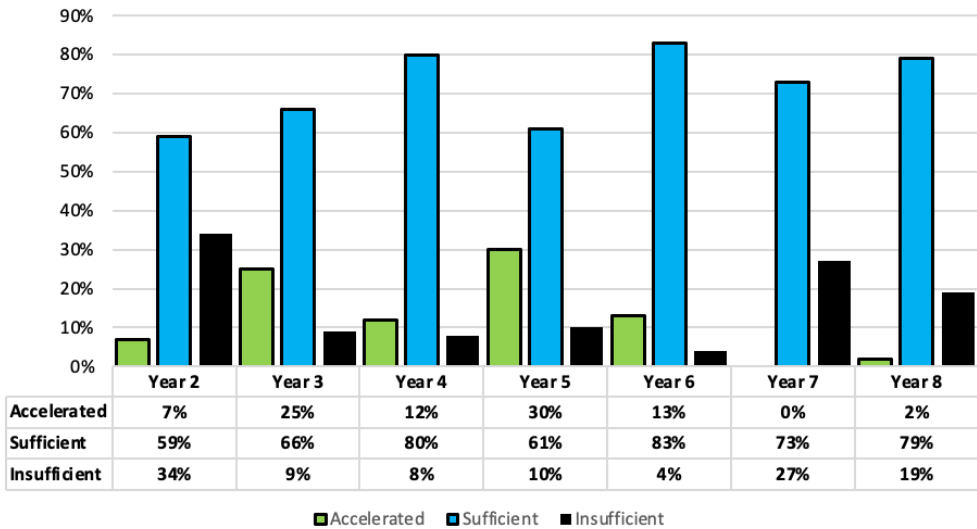
**2021-2022 Reading Achievement by Group**



**2021- 2022 Reading Achievement by Year Level**



**2021-2022 Reading Progress by Year Level**



Reading points to note

Reading achievement and progress is based on a Running Record which gives a reading age (PM Benchmark for Level 1-22 then Probe for those above that). That reading age is then compared against a child's actual age to give an indication of if they are below, at or above (more than one year above their age). Sufficient progress is measured by making a years (to 18 months) worth of progress in a year.

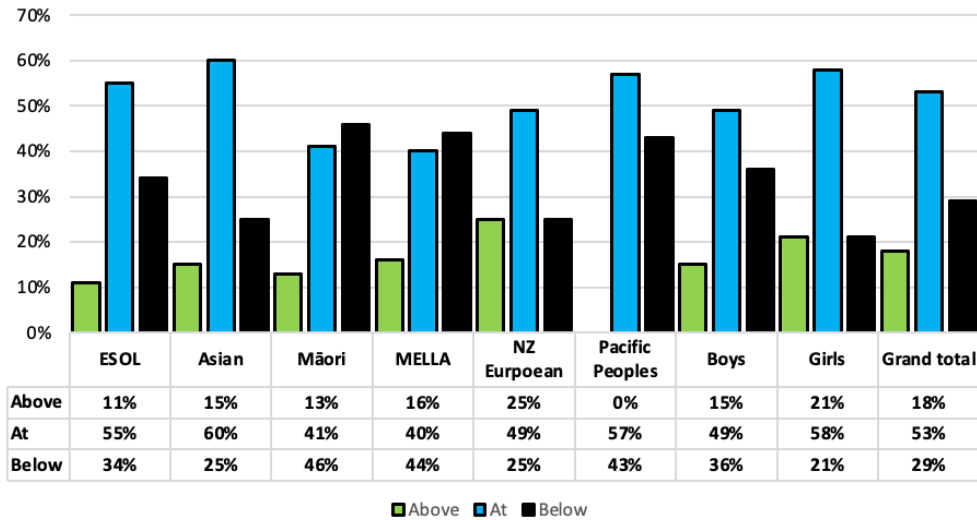
Reading achievement overall is very similar to last year, although there are fewer students that have made accelerated progress (only 14% this year compared with 41% last year), but there are 6% less students that have made insufficient progress.

Again, the Pacific Peoples group is worth noting as there are more below (42% compared with 24% of all students), and fewer above the expected level (15% compared with 35% of all students).

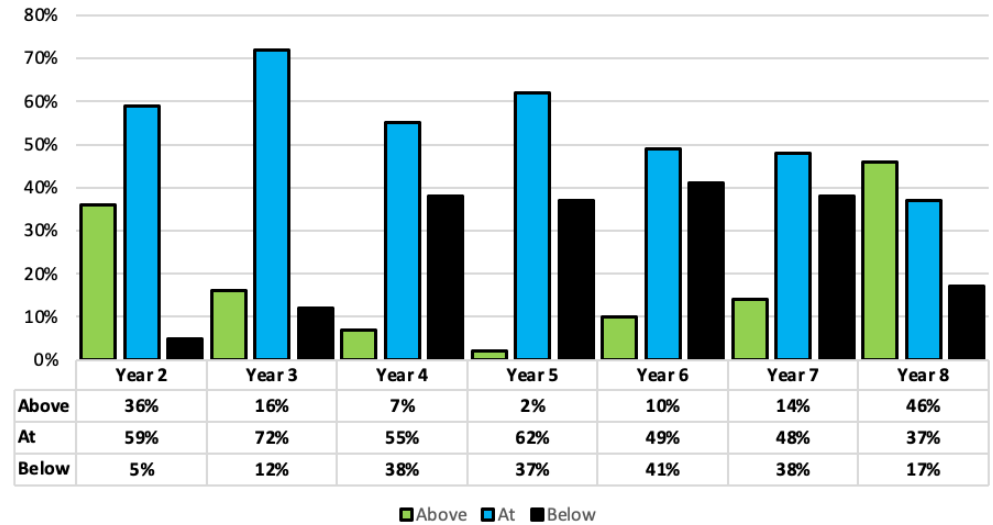
The Year 2 cohort is also worth noting as there are only 4% above the expected level and only 7% made accelerated progress.

There are very few students that have made accelerated progress in Year 7-8.

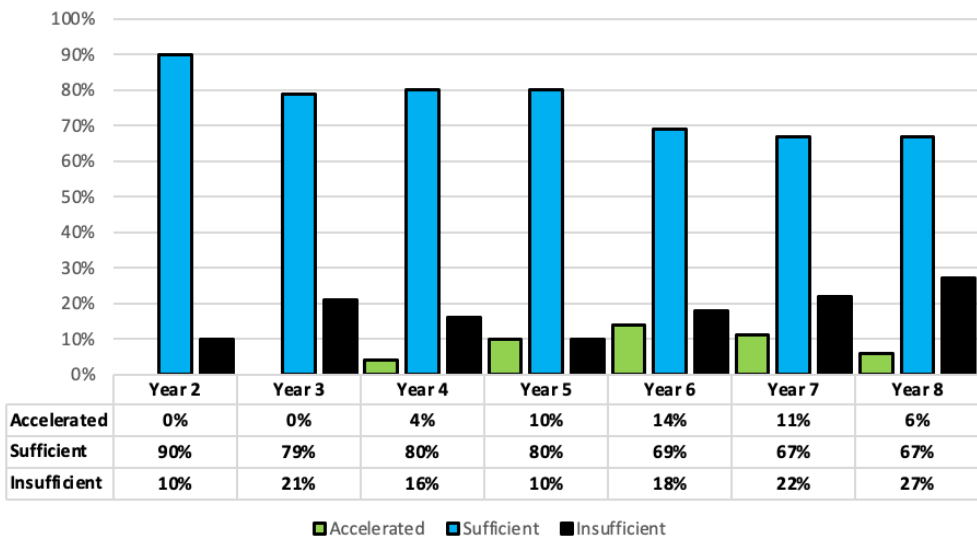
### 2021-2022 Writing Achievement by Group



### 2021-2022 Writing Achievement by Year Level



### 2021-2022 Writing Progress by Year Level



#### Writing points to note

Writing progress and achievement is based on the progressions or goals that teachers update regularly on Hero. This generates a best-fit curriculum level. Curriculum levels are each broken down into 3 sub-levels and students need to make 1 or 2 sub-levels progress across a year. It is worth noting that we measure progress based on sublevel jumps - 3 sublevels is expected progress over 2 years, which is 1.5 sublevels per year, we are only able to measure whole numbers. We have said that 1 **OR** 2 sublevels is sufficient progress which is a slightly harder than the expected level - some schools say that 2 sublevels would be accelerated progress.

Overall, there are slightly more students above the expected level, and 11% less that have made insufficient progress. We still have 29% of students that are writing below their expected level according to this data. We intend to investigate this further. Achievement in writing appears to be comparatively lower than Reading and Maths. There are a large number of Year 8 students that are writing above the expected level. Again, our Pacific Peoples (43%) group, as well as Māori (46%) and MELLA (44%) groups are achieving lower than most other groups. There are more boys below the expected level than girls.

### Our targets for 2021 were...

#### **1. To ensure that ALL students make sufficient progress in reading, writing and maths.**

This is an aspirational goal, which we haven't achieved. Having said that, it is worth noting that:

- **In Reading** of the 49 students identified last year as having made insufficient progress (and that we have comparable data for), only 4 of these also made insufficient progress this year - 14 made accelerated progress.
- **In Maths** of the 31 students identified last year as having made insufficient progress (and that we have comparable data for), only 4 of these also made insufficient progress this year - 20 made accelerated progress.
- **In Writing** of the 79 students identified last year as having made insufficient progress (and that we have comparable data for), 14 of these also made insufficient progress this year - 12 made accelerated progress.

#### **2. To accelerate the achievement of those students who are below expectation so there are fewer students below the expected level** (maths 67 children or 16%, reading 102 children or 19% and writing 112 children or 26%).

Out of the 67 children that were below the expected level last year **in maths**, 44 have comparable data this year. Of these 44 children, 22 (50%) made accelerated progress, 18 (40%) made sufficient progress and 4 (9%) made insufficient progress.

Out of the 102 children that were below the expected level last year **in reading**, 79 have comparable data this year. Of these 79 children, 19 (24%) made accelerated progress, 52 (66%) made sufficient progress and 8 (10%) made insufficient progress.

Out of the 112 children that were below the expected level last year **in writing**, 77 have comparable data this year. Of these 77 children, 14 (18%) made accelerated progress, 49 (64%) made sufficient progress and 14 (18%) made insufficient progress.

It is worth noting that in all of these areas, most of the students who were below the expected level made either sufficient or accelerated progress.

### Our targets for 2022 are:

#### **1. To ensure that ALL students make sufficient progress in reading, writing and maths.**

#### **2. To accelerate the achievement of those students who are below expectation so there are fewer students below the expected level** (maths 102 children or 16%, reading 96 children or 24% and writing 120 children or 29%).

### Our Intended Interventions are:

*These steps are our intended implementation plan, however, it is likely that with disruptions due to absences around COVID, some of these interventions may not be able to be carried out fully.*

#### **To have a very clear focus on Teaching as Inquiry that is shared across and within teams and given time during staff and team leader meeting. This will include:**

- **Identification of target groups and students - share these within and across teams** - These students will be identified through testing, observation and previous achievements/interventions. They will be clearly identified in planning. Teams will look at trends, including both strengths and weaknesses of these learners and inquire into ways to accelerate progress.
- **Clearly identify goals and next steps for individuals and groups** - Close analysis of assessment data collected, both at a group and individual level in order to target needs, regularly updated on Hero and reported to parents.

- **Devise a plan to cater for these next steps** - Through staff and team meetings, discuss the goals, learners and research (Teaching as Inquiry) come up with some evidence/researched based new ideas in order to accelerate achievement.
- **Share the plan - within and across teams, and where appropriate with whanau** - This will allow us to share best practices across the teams and come up with new ideas.
- **Regular time will be set aside to review the plan and make changes** - This will be done during staff meetings and team meetings. As appropriate, reassessments will be done and changes made to the plan/s accordingly

**In addition to this:**

- ★ Teaching Assistants will be part of the process during teacher only days when identifying and discussing these learners. They will also input into the potential activities/programme changes implemented as a result of the priority learner plan.
- ★ Continued work on moderating judgements and aligning this with the progressions that are checked off in Hero, so that a teachers overall judgement, the assessments and the level generated in Hero all align.
- ★ Develop exemplars of what progressions look like at different levels - allowing teachers and parents to see examples of what the progression achieved looks like (this will be an ongoing process).
- ★ Continue to increase staff's ability to use Hero to analyse student achievement and progress information. A clear system across the school for the identification of students who are priority learners and those who have made insufficient progress.
- ★ Open up the progress graphs so that parents can see their child's progress in reading, writing and maths.
- ★ A focus on and prioritisation of strong pedagogical discussion - during team leader, team meetings and learning support meetings.
- ★ Regular team leader meetings and days, with a greater focus on achievement and progress.
- ★ Designated time for the Learning Support Coordinator in Team Leader meetings to ensure that support given is timely, effective and regularly reviewed.
- ★ Focus on the identified target groups, but also on the individual (through Story Hui if needed), taking into account student wellbeing.
- ★ Frequent monitoring and intervention of student achievement information using Hero.
- ★ Planning shared across teams and with team leaders to ensure that priority learners and those that are not making sufficient progress are both identified, and targeted within the classroom programme.
- ★ Strategic use of teaching assistants to ensure that they have a strong influence on teaching and learning.
- ★ Teaching assistants are included in team planning meetings to ensure that they have a complete understanding of the programme and therefore how to best support the learners and learning.
- ★ Teaching assistants are assigned to one main team where possible to allow for continuity in support - fringe streaming may be used to ensure that.
- ★ Students who are in need of extra support build strong relationships with their teacher and teaching assistants - ensuring that they have consistency in their learning relationships and their classroom programme is stable.
- ★ The senior management team will visit classes, focussing on how they have built strong relationships that are learning focussed and the interventions they are using to accelerate achievement.
- ★ Continue the use of Hero as a tool to track and monitor the progress of our ESOL students - identifying next steps in order for teaching assistants to group students within classrooms and provide focussed teaching points.

## Unaudited Notes to the Financial Statements

For the year ended 31 December 2021

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received total Kiwisport funding of \$7241.93 (excluding GST.) The funding was spent on subsidising swimming lesson for all students on our roll.