

ROSMINI COLLEGE

GROUP ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

| | |
|-------------------------------|--|
| Ministry Number: | 39 |
| Principal: | Mr N C Cooper |
| School Address: | 36 Dominion St, Takapuna, Auckland 0622 |
| School Postal Address: | 36 Dominion St, Takapuna, Auckland 0622 |
| School Phone: | 09 4895417 |
| School Email: | admin@rosmini.school.nz |

Members of the Board

| Name | Position | How Position Gained | Term Expired/ Expires |
|---------------------------|-----------------------------|----------------------------|------------------------------|
| Iain Gallie | Presiding Member | Appointed | July 2025 |
| Nixon Cooper | Principal ex Officio | | |
| Peter Wolfkamp | Proprietor's Representative | Appointed | July 2025 |
| Oliver Lee | Proprietor's Representative | Appointed | July 2025 |
| John Thornley | Proprietor's Representative | Appointed | July 2025 |
| Ian Jones | Parent Representative | Re-elected June 2019 | March 2022 |
| Jason Shoebridge | Parent Representative | Re-elected June 2019 | March 2022 |
| Jonathan Coleman | Parent Representative | Elected June 2022 | March 2025 |
| Juliet Hyatt-Brown | Parent Representative | Re-elected June 2019 | March 2022 |
| Mark Markovina | Parent Representative | Elected June 2022 | March 2025 |
| Natasha McIndoe | Parent Representative | Elected June 2022 | March 2025 |
| Sarah Porter | Parent Representative | Re-elected June 2022 | March 2025 |
| Sean Marshall | Parent Representative | Re-elected June 2022 | March 2025 |
| Owen Hughes | Staff Representative | Re-elected June 2022 | March 2025 |
| Daniel Bacon | Student Representative | Elected November 2021 | September 2022 |
| Oliver Simpson | Student Representative | Elected October 2022 | September 2023 |

ROSMINI COLLEGE

Group Annual Report - For the year ended 31 December 2022

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Rosmini College

Statement of Responsibility

For the year ended 31 December 2022

The Board accepts responsibility for the preparation of the annual consolidated financial statements and the judgements used in these consolidated 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 group's financial reporting.

It is the opinion of the Board and management that the consolidated annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the group.

The Group's 2022 consolidated financial statements are authorised for issue by the Board.

Iain Gallie

Full Name of Presiding Member

Signature of Presiding Member

Date:

Nixon Charles Cooper

Full Name of Principal

Signature of Principal

Date:

Rosmini College
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2022

| | Notes | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|---|-------|----------------------|---|----------------------|----------------------|--|----------------------|
| Revenue | | | | | | | |
| Government Grants | 2 | 8,747,697 | 8,966,523 | 8,746,864 | 8,747,697 | 8,966,523 | 8,746,864 |
| Locally Raised Funds | 3 | 1,776,751 | 1,802,133 | 1,539,436 | 1,776,946 | 1,802,133 | 1,605,631 |
| Use of Proprietor's Land and Buildings Integrated | | 3,188,748 | 2,981,784 | 2,481,789 | 3,188,748 | 2,981,784 | 2,481,789 |
| Interest Earned | | 31,259 | 4,200 | 10,490 | 32,028 | 4,800 | 10,572 |
| Total revenue | | 13,744,455 | 13,754,640 | 12,778,579 | 13,745,419 | 13,755,240 | 12,844,856 |
| Expenses | | | | | | | |
| Locally Raised Funds | 3 | 837,166 | 790,750 | 557,660 | 838,506 | 790,750 | 559,960 |
| Learning Resources | 4 | 8,195,760 | 8,717,980 | 8,341,312 | 8,195,760 | 8,717,980 | 8,341,312 |
| Administration | 5 | 839,145 | 610,220 | 614,437 | 841,796 | 612,820 | 614,437 |
| Finance | | 811 | 4,000 | 3,656 | 811 | 4,000 | 3,656 |
| Property | 6 | 3,991,384 | 3,781,488 | 3,246,394 | 3,991,384 | 3,781,488 | 3,246,394 |
| Other Expenses | 7 | 11,280 | 11,280 | 11,280 | 11,280 | 11,280 | 11,280 |
| Loss on Disposal of Property, Plant and Equipment | | 1,802 | - | 987 | 1,802 | - | 987 |
| Total expenses | | 13,877,348 | 13,915,718 | 12,775,726 | 13,881,339 | 13,918,318 | 12,778,026 |
| Net Surplus / (Deficit) for the year | | (132,893) | (161,078) | 2,853 | (135,920) | (163,078) | 66,830 |
| Other Comprehensive Revenue and Expenses | | | | | | | |
| <i>Item that will not be reclassified to surplus(deficit)</i> | | | | | | | |
| Total other comprehensive revenue and expense | | - | - | - | - | - | - |
| Total Comprehensive Revenue and Expense for the Year | | (132,893) | (161,078) | 2,853 | (135,920) | (163,078) | 66,830 |

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

Rosmini College
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2022

| | Notes | 2022 | School | 2021 | 2022 | Group | 2021 |
|--|-------|------------------|-------------------------------|------------------|------------------|-------------------------------|------------------|
| | | Actual | 2022 Budget (Unaudited) | Actual | Actual | 2022 Budget (Unaudited) | Actual |
| | | \$ | \$ | \$ | \$ | \$ | \$ |
| Equity at 1 January | | 2,098,258 | 2,117,078 | 2,095,401 | 2,383,748 | 2,336,478 | 2,251,201 |
| Total comprehensive revenue and expense for the year | | (132,893) | (161,078) | 2,857 | (135,920) | (163,078) | 66,830 |
| Contribution - Capital Equipment Grant | | 65,696 | - | - | 65,696 | - | - |
| Equity at 31 December | | <u>2,031,061</u> | <u>1,956,000</u> | <u>2,098,258</u> | <u>2,313,524</u> | <u>2,173,400</u> | <u>2,318,031</u> |
| Accumulated comprehensive revenue and expense | | 2,031,061 | 1,956,000 | 2,098,258 | 2,313,524 | 2,173,400 | 2,318,031 |
| Equity at 31 December | | <u>2,031,061</u> | <u>1,956,000</u> | <u>2,098,258</u> | <u>2,313,524</u> | <u>2,173,400</u> | <u>2,318,031</u> |
| Reserve Movements Analysis | | | | | | | |
| Accumulated comprehensive revenue and expense | | | | | | | |
| Balance at 1 January | | 2,098,258 | 2,117,078 | 2,095,401 | 2,383,748 | 2,336,478 | 2,251,201 |
| Contribution - Capital Equipment grant | | 65,696 | - | - | 65,696 | - | - |
| Surplus/(deficit) for the year | | (132,893) | (161,078) | 2,857 | (135,920) | (163,078) | 66,830 |
| Balance 31 December | | <u>2,031,061</u> | <u>1,956,000</u> | <u>2,098,258</u> | <u>2,313,524</u> | <u>2,173,400</u> | <u>2,318,031</u> |
| Total equity | | <u>2,031,061</u> | <u>1,956,000</u> | <u>2,098,258</u> | <u>2,313,524</u> | <u>2,173,400</u> | <u>2,318,031</u> |

The above Consolidated Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

Rosmini College
Statement of Financial Position
As at 31 December 2022

| | Notes | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|---|-------|----------------------|---|----------------------|----------------------|--|----------------------|
| Current Assets | | | | | | | |
| Cash and Cash Equivalents | 8 | 120,206 | 1,760,000 | 1,351,287 | 339,573 | 1,980,000 | 1,571,063 |
| Accounts Receivable | 9 | 538,922 | 500,000 | 552,221 | 538,922 | 500,000 | 552,221 |
| GST Receivable | | 9,209 | 10,000 | 32,327 | 9,209 | 10,000 | 32,327 |
| Prepayments | | 46,090 | 45,000 | 53,786 | 46,090 | 45,000 | 53,786 |
| Inventories | 10 | 20,445 | 20,000 | 20,866 | 20,445 | 20,000 | 20,866 |
| Investments | 11 | 1,650,000 | - | 300,000 | 1,650,000 | - | 300,000 |
| | | 2,384,872 | 2,335,000 | 2,310,487 | 2,604,239 | 2,555,000 | 2,530,263 |
| Current Liabilities | | | | | | | |
| GST Payable | | - | - | - | - | - | - |
| Accounts Payable | 13 | 836,000 | 725,000 | 721,356 | 838,600 | 727,600 | 721,356 |
| Revenue Received in Advance | 14 | 339,787 | 272,000 | 305,280 | 339,787 | 272,000 | 305,280 |
| Provision for Cyclical Maintenance | 15 | 132,351 | 229,466 | 202,784 | 132,351 | 229,466 | 202,784 |
| Finance Lease Liability | 16 | 31,407 | 25,000 | 15,929 | 31,407 | 25,000 | 15,929 |
| Funds held in Trust | 17 | 109,925 | 100,000 | 32,652 | 109,925 | 100,000 | 32,652 |
| | | 1,449,470 | 1,351,466 | 1,278,001 | 1,452,070 | 1,354,066 | 1,278,001 |
| Working Capital Surplus/(Deficit) | | 935,402 | 983,534 | 1,032,486 | 1,152,169 | 1,200,934 | 1,252,262 |
| Non-current Assets | | | | | | | |
| Investments | 11 | - | - | - | - | - | - |
| Property, Plant and Equipment | 12 | 1,055,284 | 900,000 | 927,792 | 1,055,284 | 900,000 | 927,792 |
| Equitable Leasehold Interest | 12 | 233,277 | 233,000 | 244,557 | 233,277 | 233,000 | 244,557 |
| | | 1,288,561 | 1,133,000 | 1,172,349 | 1,288,561 | 1,133,000 | 1,172,349 |
| Non-current Liabilities | | | | | | | |
| Provision for Cyclical Maintenance | 15 | 136,934 | 100,534 | 105,000 | 136,934 | 100,534 | 105,000 |
| Finance Lease Liability | 16 | 55,968 | 60,000 | 1,580 | 55,968 | 60,000 | 1,580 |
| | | 192,902 | 160,534 | 106,580 | 192,902 | 160,534 | 106,580 |
| Net Assets | | 2,031,061 | 1,956,000 | 2,098,255 | 2,247,828 | 2,173,400 | 2,318,031 |
| Equity: | | | | | | | |
| Accumulated comprehensive revenue and expense | | 2,031,061 | 1,956,000 | 2,098,255 | 2,247,828 | 2,173,400 | 2,318,031 |
| Equity investment revaluation reserves | | - | - | - | - | - | - |
| Total equity | | 2,031,061 | 1,956,000 | 2,098,255 | 2,247,828 | 2,173,400 | 2,318,031 |

Rosmini College
Statement of Cash Flows
For the year ended 31 December 2022

| | Notes | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|--|----------|----------------------|---|----------------------|----------------------|--|----------------------|
| Cash flows from Operating Activities | | | | | | | |
| Government Grants | | 2,251,657 | 2,125,714 | 2,078,844 | 2,251,677 | 2,130,114 | 2,078,844 |
| Locally Raised Funds | | 1,572,539 | 1,542,683 | 1,321,810 | 1,572,734 | 1,542,683 | 1,390,305 |
| International Students | | 237,566 | 227,244 | 182,727 | 237,566 | 227,244 | 182,727 |
| Goods and Services Tax (net) | | 23,118 | 22,327 | (36,497) | 23,118 | 22,327 | (36,497) |
| Payments to Employees | | (1,891,749) | (1,719,995) | (1,813,417) | (1,891,749) | (1,719,995) | (1,813,417) |
| Payments to Suppliers | | (1,949,093) | (1,979,288) | (1,614,913) | (1,950,486) | (1,979,288) | (1,614,913) |
| Interest Paid | | (811) | (4,000) | - | (811) | (4,000) | - |
| Interest Received | | 28,115 | 5,120 | 10,490 | 28,884 | 5,720 | 10,572 |
| Net cash from / (to) the Operating Activities | | 271,342 | 219,805 | 129,044 | 270,933 | 224,805 | 197,621 |
| Cash flows from Investing Activities | | | | | | | |
| Proceeds from Sale of Property Plant & Equipment (and Intangibles) | | - | (79,624) | - | - | (79,624) | - |
| Purchase of Property Plant & Equipment (and Intangibles) | | (195,022) | (505,303) | (425,434) | (195,022) | (505,303) | (425,434) |
| Purchase of Investments | | (1,650,000) | 300,000 | (300,000) | (1,650,000) | 300,000 | (300,000) |
| Proceeds from Sale of Investments | | 300,000 | 845,385 | 1,550,000 | 300,000 | 840,609 | 1,481,423 |
| Net cash from / (to) the Investing Activities | | (1,545,022) | 560,458 | 824,566 | (1,545,022) | 555,682 | 755,989 |
| Cash flows from Financing Activities | | | | | | | |
| Furniture and Equipment Grant | | - | - | - | - | - | - |
| Finance Lease Payments | | (34,674) | 430,487 | (64,684) | (34,674) | 430,487 | (64,684) |
| Funds Administered on Behalf of Third Parties | | 77,273 | 67,348 | (19,541) | 77,273 | 67,348 | (19,541) |
| Net cash from / (to) Financing Activities | | 42,599 | 497,835 | (84,225) | 42,599 | 497,835 | (84,225) |
| Net increase/(decrease) in cash and cash equivalents | | (1,231,081) | 1,278,098 | 869,385 | (1,231,490) | 1,278,322 | 869,385 |
| Cash and cash equivalents at the beginning of the year | 8 | 1,351,287 | 481,902 | 481,902 | 1,571,063 | 701,678 | 701,678 |
| Cash and cash equivalents at the end of the year | 8 | 120,206 | 1,760,000 | 1,351,287 | 339,573 | 1,980,000 | 1,571,063 |

The Consolidated 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 omitted.

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

Rosmini College

Notes to the Group Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Rosmini College 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 Rosmini College (the 'Group') consists of Rosmini College and its subsidiary trust. The subsidiary is a School Trust ('Trust') which supports the school by raising funds and making donations for the school.

The School's subsidiary is incorporated and domiciled in New Zealand.

b) Basis of Preparation

Reporting Period

The consolidated financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

The consolidated financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Basis of Consolidation

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the group on a line-by-line basis. All intra-group balances, transactions, revenue, and expenses are eliminated on consolidation.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed, or has rights, to variable benefits from its involvement with the other entity and has the ability to affect the nature or amount of those benefits through its power over the other entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in surplus or deficit. Any interest retained in the former subsidiary is measured at fair value when control is lost.

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 consolidated 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 Group 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 Group qualifies for Tier 2 as the group 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 consolidated financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These consolidated 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 consolidated 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 Proprietor's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The Group 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 12.

Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 20. Future operating lease commitments are disclosed in note 31b.

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.

Consolidation of entities

The Group consolidates entities based on whether the School has established control of the subsidiary. The subsidiaries which are controlled are disclosed at Note 25.

c) Revenue Recognition

Government Grants

The Group 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 Group 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 Group has the rights to the funding in the salary period they relate to. The grants are not received in cash by the Group and are paid directly to teachers by the Ministry of Education.

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned. Interest revenue is accrued using the effective interest method.

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

Inventories are consumable items held for sale and comprised of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Consolidated Statement of Comprehensive Revenue and Expense in the period of the write down.

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

The estimated useful lives of the assets are:

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

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

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the Group estimates the asset's recoverable service amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

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

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount

l) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the Group 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.

n) Revenue Received in Advance

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

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

o) Funds Held in Trust

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

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

p) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building and other facilities on the Group sites in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

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

q) Financial Instruments

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

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

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

r) Goods and Services Tax (GST)

The consolidated 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 consolidated statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

2. Government Grants

Government Grants - Ministry of Education
Teachers' Salaries Grants
Other Government Grants

| 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|----------------------|---|----------------------|----------------------|--|----------------------|
| 1,993,965 | 1,900,891 | 1,861,685 | 1,993,965 | 1,900,891 | 1,861,685 |
| 6,514,373 | 6,859,632 | 6,667,745 | 6,514,373 | 6,859,632 | 6,667,745 |
| 239,359 | 206,000 | 217,434 | 239,359 | 206,000 | 217,434 |
| 8,747,697 | 8,966,523 | 8,746,864 | 8,747,697 | 8,966,523 | 8,746,864 |

3. Locally Raised Funds

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

Revenue

Donations and Bequests
Fundraising & Community Grants
Curriculum related activities - Purchase of goods and services
Trading
Fees for Extra Curricular Activities
International Student Fees

| 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|----------------------|---|----------------------|----------------------|--|----------------------|
| 710,378 | 773,968 | 713,774 | 710,573 | 773,968 | 779,969 |
| 33,482 | 40,496 | 30,916 | 33,482 | 40,496 | 30,916 |
| 143,278 | 135,300 | 110,472 | 143,278 | 135,300 | 110,472 |
| 26,653 | 19,500 | 19,142 | 26,653 | 19,500 | 19,142 |
| 709,454 | 682,250 | 447,506 | 709,454 | 682,250 | 447,506 |
| 153,506 | 150,619 | 217,626 | 153,506 | 150,619 | 217,626 |
| 1,776,751 | 1,802,133 | 1,539,436 | 1,776,946 | 1,802,133 | 1,605,631 |

Expenses

Extra Curricular Activities costs
Trading
Fundraising and Community Grant Costs
Other Locally Raised Funds Expenditure
International Student - Student Recruitment
International Student - Employee Benefit - Salaries
International Student - Other Expenses

| 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|----------------------|---|----------------------|----------------------|--|----------------------|
| 761,897 | 728,750 | 475,450 | 761,897 | 728,750 | 475,450 |
| 32,786 | 19,000 | 19,248 | 32,786 | 19,000 | 19,248 |
| 14,612 | 10,000 | 12,435 | 15,952 | 10,000 | 12,435 |
| - | - | - | - | - | 2,300 |
| 11,626 | 15,000 | 30,882 | 11,626 | 15,000 | 30,882 |
| 11,453 | 13,000 | 12,117 | 11,453 | 13,000 | 12,117 |
| 4,792 | 5,000 | 7,528 | 4,792 | 5,000 | 7,528 |
| 837,166 | 790,750 | 557,660 | 838,506 | 790,750 | 559,960 |

Surplus for the year Locally raised funds

| | | | | | |
|---------|-----------|---------|---------|-----------|-----------|
| 939,585 | 1,011,383 | 981,776 | 938,440 | 1,011,383 | 1,045,671 |
|---------|-----------|---------|---------|-----------|-----------|

During the year the School hosted 9 International students (2021:9)

4. Learning Resources

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|------------------------------|----------------------|---|----------------------|----------------------|--|----------------------|
| Curricular | 356,545 | 435,100 | 292,100 | 356,545 | 435,100 | 292,100 |
| Library Resources | 4,459 | 13,570 | 4,697 | 4,459 | 13,570 | 4,697 |
| Employee Benefits - Salaries | 7,557,981 | 7,985,310 | 7,796,372 | 7,557,981 | 7,985,310 | 7,796,372 |
| Staff Development | 40,811 | 34,000 | 26,172 | 40,811 | 34,000 | 26,172 |
| Depreciation | 235,964 | 250,000 | 221,971 | 235,964 | 250,000 | 221,971 |
| | 8,195,760 | 8,717,980 | 8,341,312 | 8,195,760 | 8,717,980 | 8,341,312 |

5. Administration

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|--|----------------------|---|----------------------|----------------------|--|----------------------|
| Audit Fee | 10,800 | 10,800 | 9,400 | 13,400 | 13,400 | 9,400 |
| Board Fees | 7,682 | 7,000 | 7,480 | 7,682 | 7,000 | 7,480 |
| Board Expenses | 10,132 | 14,000 | 1,688 | 10,132 | 14,000 | 1,688 |
| Communication | 23,502 | 24,000 | 20,367 | 23,502 | 24,000 | 20,367 |
| Consumables | 27,725 | 39,000 | 11,586 | 27,725 | 39,000 | 11,586 |
| Legal Fees | 3,008 | 2,000 | - | 3,008 | 2,000 | - |
| Other | 53,506 | 28,500 | 43,896 | 53,506 | 28,500 | 43,896 |
| Employee Benefits - Salaries | 675,340 | 459,320 | 501,850 | 675,340 | 459,320 | 501,850 |
| Insurance | 18,841 | 20,100 | 19,155 | 18,841 | 20,100 | 19,155 |
| Service Providers, Contractors and Consultancy | 8,609 | 5,500 | (985) | 8,660 | 5,500 | (985) |
| | 839,145 | 610,220 | 614,437 | 841,796 | 612,820 | 614,437 |

6. Property

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|-------------------------------------|----------------------|---|----------------------|----------------------|--|----------------------|
| Caretaking and Cleaning Consumables | 232,016 | 216,500 | 202,730 | 232,016 | 216,500 | 202,730 |
| Cyclical Maintenance Provision | 1,537 | 65,000 | 65,000 | 1,537 | 65,000 | 65,000 |
| Grounds | 146,999 | 151,300 | 134,952 | 146,999 | 151,300 | 134,952 |
| Heat, Light and Water | 149,617 | 107,000 | 124,295 | 149,617 | 107,000 | 124,295 |
| Other Property Expenses | 28,798 | 24,000 | 18,475 | 28,798 | 24,000 | 18,475 |
| Rates | 61 | - | 124 | 61 | - | 124 |
| Repairs and Maintenance | 62,587 | 76,000 | 53,287 | 62,587 | 76,000 | 53,287 |
| Use of Land and Buildings | 3,188,748 | 2,981,784 | 2,481,789 | 3,188,748 | 2,981,784 | 2,481,789 |
| Security | 29,924 | 22,000 | 19,874 | 29,924 | 22,000 | 19,874 |
| Employee Benefits - Salaries | 151,097 | 137,904 | 145,868 | 151,097 | 137,904 | 145,868 |
| | 3,991,384 | 3,781,488 | 3,246,394 | 3,991,384 | 3,781,488 | 3,246,394 |

The use of land and buildings figure represents 5% of the school's total property value, as used for rating purposes. This is used as a 'proxy' for the market rental of the property.

7. Other Expenses

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|-----------------------------------|----------------------|---|----------------------|----------------------|--|----------------------|
| Amortisation of Intangible Assets | 11,280 | 11,280 | 11,280 | 11,280 | 11,280 | 11,280 |
| | 11,280 | 11,280 | 11,280 | 11,280 | 11,280 | 11,280 |

8. Cash and Cash Equivalents

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|--|----------------------|---|----------------------|----------------------|--|----------------------|
| Bank Accounts | 120,206 | 110,000 | 1,287 | 339,573 | 330,000 | 221,063 |
| Short-term Bank Deposits | - | 1,650,000 | 1,350,000 | - | 1,650,000 | 1,350,000 |
| Cash equivalents and bank overdraft for Consolidated Cash Flow Statement | 120,206 | 1,760,000 | 1,351,287 | 339,573 | 1,980,000 | 1,571,063 |

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

9. Accounts Receivable

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|--|----------------------|---|----------------------|----------------------|--|----------------------|
| Receivables | 2,227 | - | 1,074 | 2,227 | - | 1,074 |
| Interest Receivable | 4,064 | - | 920 | 4,064 | - | 920 |
| Teacher Salaries Grant Receivable | 532,631 | 500,000 | 550,227 | 532,631 | 500,000 | 550,227 |
| | 538,922 | 500,000 | 552,221 | 538,922 | 500,000 | 552,221 |
| Receivables from Exchange Transactions | 6,291 | - | 1,994 | 6,291 | - | 1,994 |
| Receivables from Non-Exchange Transactions | 532,631 | 500,000 | 550,227 | 532,631 | 500,000 | 550,227 |
| | 538,922 | 500,000 | 552,221 | 538,922 | 500,000 | 552,221 |

10. Inventories

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|------------|----------------------|---|----------------------|----------------------|--|----------------------|
| Stationery | 20,445 | 20,000 | 20,866 | 20,445 | 20,000 | 20,866 |
| | 20,445 | 20,000 | 20,866 | 20,445 | 20,000 | 20,866 |

11. Investments

The Group and School's investments are classified as follows:

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|--------------------------|----------------------|---|----------------------|----------------------|--|----------------------|
| Current Asset | | | | | | |
| Short-term Bank Deposits | 1,650,000 | - | 300,000 | 1,650,000 | - | 300,000 |
| Total Investments | 1,650,000 | - | 300,000 | 1,650,000 | - | 300,000 |

12. Property, Plant and Equipment

GROUP

| | Opening Balance (Net Book Value) \$ | Additions \$ | Disposals \$ | Impairment \$ | Depreciation \$ | Total (NBV) \$ |
|--|---|-----------------|-----------------|------------------|--------------------|-------------------|
| 2022 | | | | | | |
| Furniture and Equipment | 623,554 | 147,186 | | | (94,868) | 675,872 |
| Information and Communication Technology | 227,018 | 106,109 | | | (92,512) | 240,615 |
| Motor Vehicles | 18,326 | - | | | (7,869) | 10,457 |
| Leased Assets | 18,685 | 104,540 | | | (34,761) | 88,464 |
| Library Resources | 40,209 | 7,422 | (1,802) | | (5,954) | 39,875 |
| Balance at 31 December 2022 | 927,792 | 365,257 | (1,802) | - | (235,964) | 1,055,283 |

GROUP

| | 2022 Cost or Valuation \$ | 2022 Accumulated Depreciation \$ | 2022 Net Book Value \$ | 2021 Cost or Valuation \$ | 2021 Accumulated Depreciation \$ | 2021 Net Book Value \$ |
|--|------------------------------------|---|------------------------------|------------------------------------|---|---------------------------------|
| Furniture and Equipment | 1,213,598 | (537,725) | 675,873 | 1,066,412 | (442,858) | 623,554 |
| Information and Communication Technology | 1,057,458 | (816,843) | 240,615 | 951,349 | (724,331) | 227,018 |
| Motor Vehicles | 89,950 | (79,493) | 10,457 | 89,950 | (71,624) | 18,326 |
| Leased Assets | 467,536 | (379,072) | 88,464 | 362,996 | (344,311) | 18,685 |
| Library Resources | 82,446 | (42,571) | 39,875 | 75,025 | (34,816) | 40,209 |
| Balance at 31 December | 2,910,988 | (1,855,704) | 1,055,284 | 2,545,732 | (1,617,940) | 927,792 |

SCHOOL

| | Opening Balance (NBV) \$ | Additions \$ | Disposals \$ | Impairment \$ | Depreciation \$ | Total (NBV) \$ |
|--|--------------------------------|-----------------|-----------------|------------------|--------------------|-------------------|
| 2022 | | | | | | |
| Furniture and Equipment | 623,554 | 147,186 | | | (94,868) | 675,872 |
| Information and Communication Technology | 227,018 | 106,109 | | | (92,512) | 240,615 |
| Motor Vehicles | 18,326 | - | | | (7,869) | 10,457 |
| Leased Assets | 18,685 | 104,540 | | | (34,761) | 88,464 |
| Library Resources | 40,209 | 7,422 | (1,802) | | (5,954) | 39,875 |
| Balance at 31 December 2022 | 927,792 | 365,257 | (1,802) | - | (235,964) | 1,055,283 |

SCHOOL

| | 2022 Cost or Valuation \$ | 2022 Accumulated Depreciation \$ | 2022 Net Book Value \$ | 2021 Cost or Valuation \$ | 2021 Accumulated Depreciation \$ | 2021 Net Book Value \$ |
|--|------------------------------------|---|------------------------------|------------------------------------|---|---------------------------------|
| Furniture and Equipment | 1,213,598 | (537,725) | 675,873 | 1,066,412 | (442,858) | 623,554 |
| Information and Communication Technology | 1,057,458 | (816,843) | 240,615 | 951,349 | (724,331) | 227,018 |
| Motor Vehicles | 89,950 | (79,493) | 10,457 | 89,950 | (71,624) | 18,326 |
| Leased Assets | 467,536 | (379,072) | 88,464 | 362,996 | (344,311) | 18,685 |
| Library Resources | 82,446 | (42,571) | 39,875 | 75,025 | (34,816) | 40,209 |
| Balance at 31 December | 2,910,988 | (1,855,704) | 1,055,284 | 2,545,732 | (1,617,940) | 927,792 |

13. Accounts Payable

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|------------------------------------|----------------------|---|----------------------|----------------------|--|----------------------|
| Creditors | 93,144 | 75,000 | 54,052 | 95,744 | 77,600 | 54,052 |
| Accruals | 186,383 | 100,000 | 82,984 | 186,383 | 100,000 | 82,984 |
| Employee Entitlements - Salaries | 556,473 | 550,000 | 584,320 | 556,473 | 550,000 | 584,320 |
| | <u>836,000</u> | <u>725,000</u> | <u>721,356</u> | <u>838,600</u> | <u>727,600</u> | <u>721,356</u> |
| Payables for Exchange Transactions | 836,000 | 725,000 | 721,356 | 838,600 | 727,600 | 721,356 |
| | <u>836,000</u> | <u>725,000</u> | <u>721,356</u> | <u>838,600</u> | <u>727,600</u> | <u>721,356</u> |

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|---------------------------------------|----------------------|---|----------------------|----------------------|--|----------------------|
| International Student Fees in Advance | 257,435 | 250,000 | 173,375 | 257,435 | 250,000 | 173,375 |
| Other revenue in Advance | 82,352 | 22,000 | 131,905 | 82,352 | 22,000 | 131,905 |
| | <u>339,787</u> | <u>272,000</u> | <u>305,280</u> | <u>339,787</u> | <u>272,000</u> | <u>305,280</u> |

15. Provision for Cyclical Maintenance

| | 2022 Actual \$ | School and Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|---|----------------------|---|----------------------|
| Provision at the Start of the Year | 307,784 | 307,784 | 295,066 |
| Increase to the Provision During the Year | 1,537 | | 65,000 |
| Use of the Provision During the Year | (40,036) | 22,216 | (190,066) |
| Other Adjustments | - | - | 137,784 |
| Provision at the End of the Year | <u>269,285</u> | <u>330,000</u> | <u>307,784</u> |
| Cyclical Maintenance - Current | 132,351 | 229,466 | 202,784 |
| Cyclical Maintenance - Non current | 136,934 | 100,534 | 105,000 |
| | <u>269,285</u> | <u>330,000</u> | <u>307,784</u> |

16. Finance Lease Liability

The Group has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|--|----------------------|---|----------------------|----------------------|--|----------------------|
| No Later than One Year | 31,406 | 23,000 | 15,928 | 31,406 | 23,000 | 15,928 |
| Later than One Year and no Later than Five Years | 55,968 | 60,000 | 1,580 | 55,968 | 60,000 | 1,580 |
| | 87,374 | 83,000 | 17,508 | 87,374 | 83,000 | 17,508 |
| Represented by | | | | | | |
| Finance lease liability - Current | 31,406 | 23,000 | 15,928 | 31,406 | 23,000 | 15,928 |
| Finance lease liability - Non-current | 55,968 | 60,000 | 1,580 | 55,968 | 60,000 | 1,580 |
| | 87,374 | 83,000 | 17,508 | 87,374 | 83,000 | 17,508 |

17. Funds held in Trust

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|--|----------------------|---|----------------------|----------------------|--|----------------------|
| Funds Held in Trust on Behalf of Third Parties - Current | 109,925 | 100,000 | 32,652 | 109,925 | 100,000 | 32,652 |
| Funds Held in Trust on Behalf of Third Parties - Non-current | - | - | - | - | - | - |
| | 109,925 | 100,000 | 32,652 | 109,925 | 100,000 | 32,652 |

These funds relate to arrangements where the school is acting as agent and therefore these are not included in the Consolidated Statement of Comprehensive Revenue and Expense.

18. Related Party Transactions

The Group is a controlled entity of the Crown, and the Crown provides the major source of revenue to the Group. The Group 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 Group 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 Group would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

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

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

19. Remuneration

Key management personnel compensation (School and Group)

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

| | 2022 Actual \$ | 2021 Actual \$ |
|---|----------------------|----------------------|
| <i>Board Members - School</i> | | |
| Remuneration | 7,682 | 7,480 |
| <i>Leadership Team</i> | | |
| Remuneration | 671,413 | 841,131 |
| Full-time equivalent members | 5 | 6 |
| Total key management personnel remuneration | 679,095 | 848,611 |

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

Headmaster

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

| | 2022 Actual \$000 | 2021 Actual \$000 |
|--|-------------------------|-------------------------|
| Salaries and Other Short-term Employee Benefits: | | |
| Salary and Other Payments | 190 - 200 | 180 - 190 |
| Benefits and Other Emoluments | 30 - 31 | 28 - 29 |
| Termination Benefits | - | - |

Other Employees

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

| Remuneration \$000 | 2022 FTE Number | 2021 FTE Number |
|-----------------------|--------------------|--------------------|
| 130 - 140 | 1 | 2 |
| 120 - 130 | 2 | 1 |
| 110 - 120 | 3 | 5 |
| 100 - 110 | 14 | 10 |
| | 20 | 18 |

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

20. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be board members, committee members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

| | 2022 Actual | 2021 Actual |
|-------------------------|----------------|----------------|
| School and GROUP | | |
| Total | - | - |
| Number of People | - | - |

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: nil).

Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2022, a contingent liability for the school may exist.

22. Commitments

Operating Commitments

School and GROUP

As at 31 December 2022 the Board has entered into the following contracts:

- (a) operating lease of a vehicle;
- (b) operating lease of a franking machine;

| | 2022 Actual \$ | 2021 Actual \$ |
|--|----------------------|----------------------|
| No later than One Year | 10,790 | 10,790 |
| Later than One Year and No Later than Five Years | 1,559 | 12,349 |
| Later than Five Years | - | - |
| | <u>12,349</u> | <u>23,139</u> |

23. Financial Instruments

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

Financial assets measured at amortised cost

| | 2022 Actual \$ | School 2022 Budget (Unaudited) \$ | 2021 Actual \$ | 2022 Actual \$ | Group 2022 Budget (Unaudited) \$ | 2021 Actual \$ |
|---|----------------------|---|----------------------|----------------------|--|----------------------|
| Cash and Cash Equivalents | 120,206 | 1,760,000 | 1,351,287 | 339,573 | 1,980,000 | 1,571,063 |
| Receivables | 538,922 | 500,000 | 552,221 | 538,922 | 500,000 | 552,221 |
| Total Financial Assets Measured at Amortised Cost | <u>2,309,128</u> | <u>2,260,000</u> | <u>2,203,508</u> | <u>2,528,495</u> | <u>2,480,000</u> | <u>2,423,284</u> |

Financial liabilities measured at amortised cost

| | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Payables | 836,000 | 725,000 | 721,356 | 838,600 | 727,600 | 721,356 |
| Finance Leases | 87,375 | 85,000 | 17,509 | 87,375 | 85,000 | 17,509 |
| Total Financial Liabilities Measured at Amortised Cost | <u>923,375</u> | <u>810,000</u> | <u>738,865</u> | <u>925,975</u> | <u>812,600</u> | <u>738,865</u> |

24. Events After Balance Date

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

25. Investment in Subsidiaries

Details of the Group's material subsidiaries at the end of the reporting period are as follows.

| Name of Subsidiary | Principal Activity | Place of incorporation and operation | Proportion of ownership interest and voting power held by the | | Value of investment \$'000 | |
|--------------------|--------------------|--------------------------------------|---|------|----------------------------|---------|
| | | | 2022 | 2021 | 2022 | 2021 |
| Rosmini Foundation | Raising Funds | Auckland, New Zealand | 100% | 100% | 219,368 | 219,775 |

All subsidiaries have 31 March balance dates, are 100% owned by the School, and are incorporated and domiciled in New Zealand.

The School controls the Trust for financial reporting purposes because, in substance, the school predetermined the objectives of the Trust at establishment and benefits from the Trust's complementary activities.

The Trust is a registered charity. Under its constitution, the company is prohibited from paying dividends (or similar distributions) to the School.

Non controlling interests

| | 2022 | 2021 |
|-------------------------------------|---------|---------|
| Balance at beginning of year | 219,775 | 155,798 |
| Share of profit for the year | - 407 | 63,977 |
| Balance at end of year | 219,368 | 219,775 |

26. Comparatives

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

27. Failure to Comply with Section 87c of the Education Act 1989

The Board of Trustees has failed to comply with Section 87c of the Education Act 1989, as the board were unable to provide their audited financial statements to the Ministry of Education by 31 May 2023.

Independent Auditor's Report

To the readers of Rosmini College's Financial statements For the year ended 31 December 2022

RSM Hayes Audit

PO Box 9588
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Newmarket, Auckland 1023

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The Auditor-General is the auditor of Rosmini College (the School). The Auditor-General has appointed me, Colin Henderson, using the staff and resources of RSM Hayes Audit, 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 21, that comprise the statement of financial position as at 31 December 2022, 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 2022; 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 Benefit Entity (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 7 August 2023. This is the date at which our opinion is expressed.

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

Basis of 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 of Trustees 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 of Trustees is responsible for the other information. The other information includes the statement of responsibility, board member list, analysis of variance, compliance with good employer requirements, and kiwisport report, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

A handwritten signature in blue ink that reads 'Colin Henderson'.

Colin Henderson
RSM Hayes Audit
On behalf of the Auditor-General
Auckland, New Zealand



Analysis of Variance (%)

2022 NCEA Results

| Rosmini | | | | |
|---------|------|-------|-----------|-------|
| | Pass | Merit | Excellent | Total |
| L1 | 93 | 31 | 26 | 57 |
| L2 | 93 | 33 | 31 | 64 |
| L3 | 86 | 31 | 28 | 59 |
| UE | 74 | | | |

| National Boys Decile 8-10 | | | |
|---------------------------|-------|-----------|-------|
| Pass | Merit | Excellent | Total |
| 67 | 28 | 38 | 66 |
| 81 | 31 | 24 | 55 |
| 74 | 32 | 20 | 52 |
| 60 | | | |

Maori

| Rosmini | | | | |
|---------|------|-------|-----------|-------|
| | Pass | Merit | Excellent | Total |
| L1 | 94 | | | |
| L2 | 91 | | | |
| L3 | 90 | | | |
| UE | 70 | | | |

| National Boys Decile 9 | | | |
|------------------------|-------|-----------|-------|
| Pass | Merit | Excellent | Total |
| 67 | | | |
| 82 | | | |
| 77 | | | |
| 60 | | | |

Pasifika

| Rosmini | | | | |
|---------|------|-------|-----------|-------|
| | Pass | Merit | Excellent | Total |
| L1 | 88 | | | |
| L2 | 71 | | | |
| L3 | 60 | | | |
| UE | 20 | | | |

| National Boys Decile 9 | | | |
|------------------------|-------|-----------|-------|
| Pass | Merit | Excellent | Total |
| 61 | | | |
| 79 | | | |
| 71 | | | |
| 45 | | | |

No ethnicity breakdown by merit and excellence available



KIWISPORT

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2022, the School received total Kiwisport funding of \$23,164 excl GST (2021: \$23,016). The funding was spent on the purchase of a wide variety of sports equipment, on a supply of new sports uniforms and on the costs associated with a special co-ordinator dealing with lunch-time gear distribution and organised sports administration. The number of students participating in organised sport was 64% of the school roll.

Compliance with Education and Training Act 2020 requirements to be a good employer for the year ended 31 December 2023

The college recognises the employment requirements of persons with disabilities. A recent example is the employment of a candidate who is blind in one eye to a senior position. She was successful ahead of a large field simply because she was the most capable candidate.

The college recognises the employment requirements of women. In the last eight years two women have been appointed to senior management positions. There are ten women who are Heads of Department. All of these were appointed in the last 9 years. The number of women employed in this period rose by 17%.

The abilities of individual employees have been enhanced by opportunities for professional development which is encouraged and by promotion when opportunities arise.

The aims and aspirations of Maori have been recognised by the employment last year of a Maori to the Senior Leadership Team whose specific role is to enhance Matarauka Maori at the college. He leads professional development of staff in Te Ao Maori in addition to his role in having pastoral oversight of Maori students. In addition another young Maori teacher has been promoted twice in as many years to a HOD position and Dean. He also greatly assists in the upskilling and professional development of staff in the Matarauka Maori and Mana Ora space.

The impartial selection of suitably qualified staff is ensured by a robust process involving the SLT and Board (depending on the position) in the short-listing and interviewing of applicants.

The school provides a safe working environment by ensuring the following: There is staff induction, first aid training and regular fire drills and lockdown practices. There is a Health and Safety committee. The procedure for accidents, near misses and hazard identification is in the staff handbook.

The Board has an Equal Employment Opportunities section within the Personnel Policy. It is available to staff. The EEO policy has someone (Staff Board Rep) to coordinate compliance with its requirements. The policy has a clear rationale, purpose and guidelines.

16 May 2023