



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021



WOODFORD HOUSE BOARD OF TRUSTEES

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	225
Principal:	Julie Peterson
School Address:	Iona Road, Havelock North, 4130
School Postal Address:	Private Bag 1001, Havelock North, 4157
School Phone:	06 873 0700
School Email:	enquiries@woodford.school.nz

Members of the Board

Name	Position	Term Expired/ Expires
Martin Williams	Presiding Member	Dec-23
Julie Peterson	Principal ex Officio	
Louise Trent	Parent Representative	Dec-23
Malcolm Jackson	Parent Representative	Sep-22
Toni Goodlass	Parent Representative	Sep-22
Benita Douglas	Parent Representative	Sep-22
Christine de Punt	Parent Representative	Feb-24
Mike Wills	BOP Representative	Aug-22
Lorna Morice	Staff Representative	Jun-22
India MacIntyre	Student Representative	Sep-22

WOODFORD HOUSE BOARD OF TRUSTEES

Annual Report - For the year ended 31 December 2021

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Woodford House Board of Trustees

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.

Toni Rebecca Goodlass

Full Name of Presiding Member

Julie Therese Peterson

Full Name of Principal

Toni Rebecca Goodlass

Signature of Presiding Member

J Peterson

Signature of Principal

8 August 2022

Date:

8 August 2022

Date:

Woodford House Board of Trustees

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	3,795,978	3,740,854	3,512,947
Locally Raised Funds	3	1,640,115	1,486,307	1,055,544
Use of Proprietor's Land and Buildings		631,392	1,010,228	1,010,228
Interest Income		354	1,000	2,199
International Students	4	318,696	304,348	440,870
Other Revenue		15,299	-	1,853
		6,401,834	6,542,737	6,023,641
Expenses				
Locally Raised Funds	3	265,115	-	245,544
International Students	4	179,072	177,785	214,746
Learning Resources	5	4,270,353	4,254,365	3,855,291
Administration	6	605,552	650,300	580,404
Finance		1,536	-	2,805
Property	7	934,137	1,322,635	1,304,380
Depreciation	11	83,091	90,000	91,406
		6,338,856	6,495,085	6,294,576
Net Surplus / (Deficit) for the year		62,978	47,652	(270,935)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		62,978	47,652	(270,935)

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

Woodford House Board of Trustees

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		95,379	-	356,394
Total comprehensive revenue and expense for the year		62,978	47,652	(270,932)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant				9,917
Equity at 31 December		158,357	47,652	95,379
Retained Earnings		158,357	47,652	95,379
Equity at 31 December		158,357	47,652	95,379

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.

Woodford House Board of Trustees

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	8	399,456	500,000	546,008
Accounts Receivable	9	249,051	250,152	204,227
GST Receivable		28,312	30,000	13,553
Prepayments		9,141	10,000	3,709
Inventories	10	6,055	10,000	6,413
		692,015	800,152	773,910
Current Liabilities				
Accounts Payable	12	471,547	439,500	502,641
Revenue Received in Advance	13	291,855	305,000	410,514
Finance Lease Liability	14	4,754	5,000	14,716
		768,156	749,500	927,871
Working Capital Surplus/(Deficit)		(76,141)	50,652	(153,961)
Non-current Assets				
Property, Plant and Equipment	11	237,013	-	256,747
		237,013	-	256,747
Non-current Liabilities				
Finance Lease Liability	14	2,519	3,000	7,407
		2,519	3,000	7,407
Net Assets		158,357	47,652	95,379
Equity		158,357	47,652	95,379

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

Woodford House Board of Trustees

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		867,797	630,721	789,855
Locally Raised Funds		1,387,754	1,491,307	810,427
International Students		202,196	604,348	392,270
Goods and Services Tax (net)		(14,759)	(30,000)	10,314
Payments to Employees		(1,577,064)	(1,187,921)	(1,371,098)
Payments to Suppliers		(933,087)	(927,455)	(773,911)
Interest Paid		(1,536)	-	(2,805)
Interest Received		354	1,000	2,199
Net cash from/(to) Operating Activities		(68,345)	582,000	(142,749)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(61,680)	(90,000)	(91,380)
Net cash from/(to) Investing Activities		(61,680)	(90,000)	(91,380)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	9,917
Finance Lease Payments		(16,527)	8,000	(14,681)
Net cash from/(to) Financing Activities		(16,527)	8,000	(4,764)
Net increase/(decrease) in cash and cash equivalents		(146,552)	500,000	(238,893)
Cash and cash equivalents at the beginning of the year	8	546,008	-	784,901
Cash and cash equivalents at the end of the year	8	399,456	500,000	546,008

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.

Woodford House Board of Trustees

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as 'having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders'.

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives.

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

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) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

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

k) Intangible Assets

Software costs

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

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

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

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

Non cash generating assets

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

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

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

m) Accounts Payable

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

n) Employee Entitlements

Short-term employee entitlements

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

o) Revenue Received in Advance

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

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

p) Financial Instruments

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

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

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

q) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

r) 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.

s) Budget Figures

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

t) 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	870,555	865,037	772,436
Teachers' Salaries Grants	2,841,944	2,859,981	2,657,862
Other MoE Grants	21,203	8,000	17,236
Resource Teachers Learning & Behaviour	4,265	-	1,635
Other Government Grants	58,011	7,836	63,778
	3,795,978	3,740,854	3,512,947

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Donations & Bequests	1,375,000	1,486,307	810,000
Outdoor education	60,209	-	63,883
School trips	9,285	-	14,968
Sports	84,719	-	77,407
Subject charges	102,193	-	81,078
Proprietor additional funding	8,709	-	8,208
	1,640,115	1,486,307	1,055,544
Expenses			
Outdoor education	68,168	-	71,821
School trips	9,450	-	15,229
Sports	85,266	-	79,373
Subject charges	102,231	-	79,121
	265,115	-	245,544
Surplus/ (Deficit) for the year Locally raised funds	1,375,000	1,486,307	810,000

The 2020 financial statements did not include the income and expenditure relating to outdoor education, school trips, sports and subjects and the Board of Proprietors funding of the shortfall of those items because the amounts were received and paid by the Board of Proprietors. However, in 2021, the Board of Trustees have noted that, because those income and expense items relates to students engaging in activities as part of their schooling, the Board of Trustees is responsible for the activities, and they should be recorded in the Board of Trustee's financial statements. The Board of Trustees has added this information into note 3 for the years ending 31 December 2020 and 2021. This correction impacts total income and total expenses but does not impact the profit, total comprehensive income or net assets of the school.

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	15	1	22
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
International Student Fees	318,696	304,348	440,870
Expenses			
Student Recruitment	4,485	14,500	5,092
Employee Benefit - Salaries	139,559	116,015	149,190
Other Expenses	35,028	47,270	60,464
	179,072	177,785	214,746
Surplus/ (Deficit) for the year International Students	139,624	126,563	226,124

5. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	176,698	241,978	169,976
Information and Communication Technology	176,890	195,500	170,214
Employee Benefits - Salaries	3,882,625	3,764,887	3,498,657
Staff Development	34,140	52,000	16,444
	<u>4,270,353</u>	<u>4,254,365</u>	<u>3,855,291</u>

6. Administration

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Audit Fee	10,701	9,000	7,876
Board Fees	2,630	4,500	3,660
Board Expenses	63	1,000	1,610
Communication	3,092	5,750	5,320
Consumables	23,441	18,000	20,690
Legal Fees	3,471	7,500	10,712
Other	103,650	160,050	98,085
Employee Benefits - Salaries	409,605	387,500	385,955
Insurance	21,682	19,000	18,063
Service Providers, Contractors and Consultancy	27,217	38,000	28,433
	<u>605,552</u>	<u>650,300</u>	<u>580,404</u>

7. Property

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	16,706	18,000	15,442
Consultancy and Contract Services	75,823	70,200	68,517
Grounds	21,142	22,801	19,572
Heat, Light and Water	60,729	59,156	69,082
Rates	3,929	5,500	4,330
Repairs and Maintenance	38,192	36,000	35,653
Use of Land and Buildings	631,392	1,010,228	1,010,228
Security	1,776	1,750	1,038
Employee Benefits - Salaries	84,448	99,000	80,518
	<u>934,137</u>	<u>1,322,635</u>	<u>1,304,380</u>

The use of land and buildings figure represents 5% of the school's total property value. This is used as a proxy for the market rental of the property. In 2021, the Proprietor revised the notional rent rate from 8% to 5% to align it with the rate used for state schools.

8. Cash and Cash Equivalents

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Bank Accounts	399,456	500,000	546,008
Cash and cash equivalents for Statement of Cash Flows	<u>399,456</u>	<u>500,000</u>	<u>546,008</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	386	-	-
Receivables from the Ministry of Education	248,665	250,152	204,227
	<u>249,051</u>	<u>250,152</u>	<u>204,227</u>
Receivables from Exchange Transactions	386	-	-
Receivables from Non-Exchange Transactions	248,665	250,152	204,227
	<u>249,051</u>	<u>250,152</u>	<u>204,227</u>

10. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Badge and Other stock	6,055	10,000	6,411
	<u>6,055</u>	<u>10,000</u>	<u>6,411</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Furniture and Equipment	177,183	27,632			(39,521)	165,294
Information and Communication Technology	37,904	26,069			(21,678)	42,295
Leased Assets	20,584	1,677			(15,572)	6,689
Library Resources	21,076	7,979			(6,320)	22,735
Balance at 31 December 2021	<u>256,747</u>	<u>63,357</u>	<u>-</u>	<u>-</u>	<u>(83,091)</u>	<u>237,013</u>

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Furniture and Equipment	552,375	(387,081)	165,294	524,743	(347,560)	177,183
Information and Communication T	734,687	(692,392)	42,295	708,617	(670,713)	37,904
Leased Assets	48,567	(41,878)	6,689	46,890	(26,306)	20,584
Library Resources	91,485	(68,750)	22,735	83,504	(62,428)	21,076
Balance at 31 December	<u>1,427,114</u>	<u>(1,190,101)</u>	<u>237,013</u>	<u>1,363,754</u>	<u>(1,107,007)</u>	<u>256,747</u>

12. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	117,996	110,000	184,177
Accruals	7,926	10,000	28,272
Banking Staffing Overuse	17,679	15,500	41,799
Employee Entitlements - Salaries	323,993	300,000	243,263
Employee Entitlements - Leave Accrual	3,950	4,000	5,130
	<u>471,544</u>	<u>439,500</u>	<u>502,641</u>
Payables for Exchange Transactions	471,544	439,500	502,641
	<u>471,544</u>	<u>439,500</u>	<u>502,641</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
International Student Fees in Advance	290,250	300,000	406,750
Other revenue in Advance	1,605	5,000	3,764
	<u>291,855</u>	<u>305,000</u>	<u>410,514</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	4,754		14,716
Later than One Year and no Later than Five Years	2,519		7,407
	<u>7,273</u>	<u>-</u>	<u>22,123</u>
Represented by			
Finance lease liability - Current	4,754		14,716
Finance lease liability - Term	2,519		7,407
	<u>7,273</u>	<u>-</u>	<u>22,123</u>

15. Related Party Transactions

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

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

The Proprietor of the School, Woodford House Trust Board 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 Woodford House Trust Board, whom the Principal is a Trustee of, contributed to the Principal's total remuneration by \$110,000-\$120,000 (2020: \$70,000-\$80,000) as compensation for the work she carries out on behalf of the Proprietor in respect of the boarding operations, upholding the School's Special Character, the Woodford House Foundation and implementing the Shine programme.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(j). 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'.

The Proprietor provided:

- Donations to the school of \$1,375,000 (2020:\$800,000)

-Religious instruction to pupils of the school. This service is provided free of charge in accordance with the Education Training Act 2020

Under an Agency agreement, the Proprietor:

-undertook to collect all locally raised funds such as sports, activity and field trips and curriculum delivery on behalf of the Board of Trustees

-undertook to pay all expenses relating to locally raised funds such as sports, activity, field trips and curriculum delivery on behalf of the Board of Trustees

Under agency agreement, the Board:

-collected boarding bursaries from the Ministry of Education on behalf of the Proprietor totalling \$176,487 (2020:\$185,025)

16. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	2,630	3,660
<i>Leadership Team</i>		
Remuneration	613,965	583,111
Full-time equivalent members	5	5
Total key management personnel remuneration	616,595	586,771

There are 8 members of the Board excluding the Principal. The Board had held 8 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.

Principal 1

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	140-150
Benefits and Other Emoluments	1-5	1-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
130-140	0.00	0.00
120-130	0.00	0.00
110-120	3.00	4.00
100-110	7.00	0.00
	10.00	4.00

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

17. Compensation and Other Benefits Upon Leaving

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

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

18. Contingencies

There are no contingent liabilities 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.

19. Commitments

Capital Commitments

As at 31 December 2021 the Board had no Capital Commitments (2020:Nil)

20. 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	399,456	500,000	546,008
Receivables	249,051	250,152	204,227
Total Financial assets measured at amortised cost	<u>648,507</u>	<u>750,152</u>	<u>750,235</u>

Financial liabilities measured at amortised cost

Payables	471,544	439,500	502,641
Finance Leases	7,273	8,000	22,123
Total Financial Liabilities Measured at Amortised Cost	<u>478,817</u>	<u>447,500</u>	<u>524,764</u>

21. Events After Balance Date

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

22. Comparatives

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

23. COVID 19 Pandemic on going implications

Impact of Covid-19

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.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WOODFORD HOUSE BOARD OF TRUSTEES' FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Woodford House Board of Trustees (the School). The Auditor-General has appointed me, Philip Pinckney, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, 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 16, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 8 August 2022. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We assess the risk of material misstatement arising from the Novopay 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 arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information obtained at the date of our report is the Analysis of Variance, the Kiwisport statement, list of trustees and Statement of Responsibility, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Philip Pinckney
Baker Tilly Staples Rodway Audit Limited
On behalf of the Auditor-General
Hastings, New Zealand