

# ROLLESTON CHRISTIAN SCHOOL

## Annual Report For the year ended 31 December 2022

Ministry Number: 710  
Principal: Elizabeth Horn  
School Address: 571-575 Springston Rolleston Road, Rolleston  
School Postal Address: 571 Springston Rolleston Road, Rolleston  
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### Members of the Board of Trustees

Name	How Position Gained	Ceased	Finishes
Paul Saunders	Appointed		Jun-25
Fiona Gurevin	Elected	May-22	
Brett Erskine	Elected	Sep-22	
Richard Reynolds	Elected		Jun-25
Jenny Addison	Appointed	May-22	
Michael Smith	Elected	May-22	
Chris Hannen	Appointed		Jun-25
Suzanne Tennant	Appointed		Jun-25
Christine Trennela-Ch	Elected		Jun-25
Elena Blair	Elected		Jun-25
Christopher Gregg	Elected		Jun-25
Polu Luatua	Elected		Jun-25
Lynda Siave	Elected	Sep-22	
Liz Horn	Principal ex Officio		

**Accountant / Service Provider:**  
Geoff Gillam Consultants

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**Rolleston Christian School  
Statement of Responsibility**

For the year ended 31 December 2022

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 2022 fairly reflects the financial position and operations of the school.

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

Richard James Reynolds  
Full Name of Presiding Member

Elizabeth Joy Horn  
Full Name of Principal

Richard J Reynolds  
Signature of Presiding Member

EJH  
Signature of Principal

24 May 2023  
Date:

24 May 2023  
Date:

**Rolleston Christian School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>				
Government Grants	2	1,875,258	1,325,093	1,488,844
Locally Raised Funds	3	93,966	64,236	65,339
Use of Land and Buildings Integrated		359,500	360,000	217,500
Interest Earned		3,034	2,000	3,071
		<u>2,331,758</u>	<u>1,751,329</u>	<u>1,774,754</u>
<b>Expenses</b>				
Locally Raised Funds	3	32,632	43,000	32,216
Learning Resources	4	1,734,220	1,187,369	1,359,081
Administration	5	128,724	117,755	93,828
Finance Costs		548	-	400
Property	6	445,284	443,856	297,902
		<u>2,341,408</u>	<u>1,791,980</u>	<u>1,783,427</u>
<b>Net Surplus / (Deficit)</b>		(9,650)	(40,651)	(8,673)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(9,650)</u>	<u>(40,651)</u>	<u>(8,673)</u>

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

**Rolleston Christian School**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2022

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Balance at 1 January	251,833	251,833	255,288
Total comprehensive revenue and expense for the year	(9,650)	(40,651)	(8,673)
Owner transactions			
Contribution - Furniture and Equipment Grant	69,892	-	5,218
Equity at 31 December	312,075	211,182	251,833
Accumulated comprehensive revenue and expense	312,075	211,182	251,833
Reserves	-	-	-
Equity at 31 December 2022	312,075	211,182	251,833

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.

# Rolleston Christian School

## Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	78,345	7,454	16,378
Accounts Receivable	8	134,452	110,000	95,998
GST Receivable		15,104	2,000	2,498
Inventories		34,942	20,000	17,947
Investments	9	141,340	141,340	141,340
		<u>404,183</u>	<u>280,794</u>	<u>274,161</u>
<b>Current Liabilities</b>				
Accounts Payable	11	225,647	152,000	110,029
Finance Lease Liability - Current Portion	14	3,022	3,000	3,037
		<u>228,669</u>	<u>155,000</u>	<u>113,066</u>
<b>Working Capital Surplus or (Deficit)</b>		<b>175,514</b>	<b>125,794</b>	<b>161,095</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	159,620	105,298	106,302
		<u>159,620</u>	<u>105,298</u>	<u>106,302</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	19,750	17,910	12,910
Finance Lease Liability	14	3,309	2,000	2,654
		<u>23,059</u>	<u>19,910</u>	<u>15,564</u>
<b>Net Assets</b>		<u><u>312,075</u></u>	<u><u>211,182</u></u>	<u><u>251,833</u></u>
<b>Equity</b>		<u><u>312,075</u></u>	<u><u>211,182</u></u>	<u><u>251,833</u></u>

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



## Rolleston Christian School

### Statement of Cashflows

For the year ended 31 December 2022

	2022	2022	2021	
Note	Actual	Budget	Actual	
	\$	(Unaudited)	\$	
		\$		
<b>Cash flows from Operating Activities</b>				
Government Grants	526,909	406,684	396,586	
Locally Raised Funds	103,289	79,013	59,519	
Goods and Services Tax (net)	(12,606)	498	1,271	
Payments to Employees	(372,230)	(257,626)	(211,084)	
Payments to Suppliers	(175,036)	(234,802)	(251,115)	
Interest Paid	(548)	-	(400)	
Interest Received	3,034	2,000	3,071	
Funds Administered on Behalf of Third Parties	-	-	(1,056)	
<b>Net cash from / (to) the Operating Activities</b>	<b>72,812</b>	<b>(4,233)</b>	<b>(3,208)</b>	
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)	-	-	-	
Purchase of PPE (and Intangibles)	(77,071)	(4,000)	(21,805)	
Purchase of Investments	-	-	(1,340)	
<b>Net cash from / (to) the Investing Activities</b>	<b>(77,071)</b>	<b>(4,000)</b>	<b>(23,145)</b>	
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant	69,892	-	5,218	
Finance Lease Payments	(3,666)	(691)	(3,178)	
<b>Net cash from Financing Activities</b>	<b>66,226</b>	<b>(691)</b>	<b>2,040</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>61,967</b>	<b>(8,924)</b>	<b>(24,313)</b>	
Cash and cash equivalents at the beginning of the year	7	16,378	16,378	40,691
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>78,345</b>	<b>7,454</b>	<b>16,378</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

# Rolleston Christian School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2022

#### 1.1) Reporting Entity

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

#### 1.2) Basis of Preparation

##### *Reporting Period*

The financial reports 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 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 publically accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

##### *Measurement Base*

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

##### *Presentation Currency*

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

##### *Specific Accounting Policies*

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

##### *Critical Accounting Estimates And Assumptions*

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

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

##### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

##### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.

##### *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 13.

### *Recognition of grants*

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

## **1.3) 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 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.

### **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 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.

## **1.4) 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.

## **1.5) 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.

## **1.6) 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 three months or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.



### 1.7) 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.

### 1.8) 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.

### 1.9) Inventories

Inventories are consumable items held for sale and comprise 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. Thus the fair value of the inventory is determined based on the cost at time of purchase. The 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.

### 1.10) 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.

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

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

### Finance Leases

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

### Depreciation

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

The estimated useful lives of the assets are:	Years
Furniture and equipment	10
Information and communication technology	3-5
Plant	10
Leased assets held under a finance lease	Term of lease
Library resources	10

### 1.11) 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



### **1.12) 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.

### **1.13) 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.

### **1.14) Revenue Received in Advance**

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

### **1.15) 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 School site in a state of good order and repair.

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

### **1.16) 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 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 School 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 School'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.

### **1.17) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

### **1.18) Funds held for Capital works**

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Revenue and Expense.

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

### **1.19) 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.

### **1.20) Budget Figures**

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

### **1.21) 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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	528,732	405,101	412,024
Teachers' Salaries Grants	1,346,526	919,992	1,076,820
	<u>1,875,258</u>	<u>1,325,093</u>	<u>1,488,844</u>

The school is not in the donations scheme for this year.

## 3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<i>Revenue</i>			
Donations & Bequests	36,719	25,000	18,500
Fees for Extra Curricular Activities	4,681	1,600	10,891
Trading	52,566	37,636	35,948
	<u>93,966</u>	<u>64,236</u>	<u>65,339</u>
<i>Expenses</i>			
Extra Curricular Activities Costs	4,467	4,000	10,668
Trading	28,165	39,000	21,548
	<u>32,632</u>	<u>43,000</u>	<u>32,216</u>
<i>Surplus for the year Locally raised funds</i>	<u>61,334</u>	<u>21,236</u>	<u>33,123</u>

## 4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	55,442	62,199	79,471
Employee Benefits - Salaries	1,632,378	1,101,336	1,237,509
Staff Development	18,341	18,830	15,847
Depreciation	28,059	5,004	26,254
	<u>1,734,220</u>	<u>1,187,369</u>	<u>1,359,081</u>

## 5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	5,052	4,800	4,382
Board Expenses	7,103	3,000	1,595
Communication	1,786	5,380	6,472
Consumables	9,589	14,407	10,927
Staff Expenses	17,061	18,368	2,822
Other	3,627	4,804	6,977
Employee Benefits - Salaries	84,506	66,996	60,653
	<u>128,724</u>	<u>117,755</u>	<u>93,828</u>



## 6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	6,450	4,604	4,515
Consultancy and Contract Services	41,602	35,796	33,419
Cyclical Maintenance Provision	6,840	5,000	8,648
Grounds	7,113	7,500	7,295
Heat, Light and Water	13,888	13,260	13,338
Repairs and Maintenance	8,295	9,696	8,550
Use of Land and Buildings - Integrated	359,500	360,000	217,500
Employee Benefits - Salaries	1,596	8,000	4,637
	<u>445,284</u>	<u>443,856</u>	<u>297,902</u>

The use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

## 7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	50	50	50
Bank Accounts	78,295	7,404	16,328
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>78,345</u>	<u>7,454</u>	<u>16,378</u>

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

## 8. Accounts Receivable

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	5,454	-	14,777
Receivables Ministry of Education	15,406	-	4,865
Teacher Salaries Grant Receivable	113,592	110,000	76,356
	<u>134,452</u>	<u>110,000</u>	<u>95,998</u>
Receivables from Exchange Transactions	5,454	-	14,777
Receivables from Non-Exchange Transactions	128,998	110,000	81,221
	<u>134,452</u>	<u>110,000</u>	<u>95,998</u>

## 9. Investments

The School's investment activities are classified as follows:

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits with Maturities Greater than Three Months and Not Greater than One Year	141,340	141,340	141,340

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2022.

## 10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Furniture and Equipment	68,854	49,946	-	-	(13,016)	105,784
Information and Communication Plant	21,292	26,786	-	-	(9,614)	38,464
Leased Assets	8,896	-	-	-	(1,405)	7,491
Library Resources	5,497	4,306	-	-	(3,686)	6,117
	1,763	339	-	-	(338)	1,764
<b>Balance at 31 December 2022</b>	<b>106,302</b>	<b>81,377</b>	<b>-</b>	<b>-</b>	<b>(28,059)</b>	<b>159,620</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>Cost or Valuation</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>	<b>Cost or Valuation</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	178,929	(73,145)	105,784	128,981	(60,127)	68,854
Information and Communication Plant	96,818	(58,354)	38,464	70,031	(48,739)	21,292
Leased Assets	15,362	(7,871)	7,491	15,362	(6,466)	8,896
Library Resources	11,450	(5,333)	6,117	10,083	(4,586)	5,497
	3,544	(1,780)	1,764	3,205	(1,442)	1,763
<b>Balance at 31 December 2022</b>	<b>306,103</b>	<b>(146,483)</b>	<b>159,620</b>	<b>227,662</b>	<b>(121,360)</b>	<b>106,302</b>

### Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

## 11. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	97,045	40,000	27,105
Banking Staffing Overuse	12,000	-	3,282
Employee Entitlements - Salaries	113,592	110,000	76,356
Employee Entitlements - Leave Accrual	3,010	2,000	3,286
	<b>225,647</b>	<b>152,000</b>	<b>110,029</b>
Payables for Exchange Transactions	225,647	152,000	110,029
	<b>225,647</b>	<b>152,000</b>	<b>110,029</b>

The carrying value of payables approximates their fair value.

## 12. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	12,910	12,910	15,650
Increase to the Provision During the Year	6,840	5,000	8,648
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	-	(11,338)
Provision at the End of the Year	<b>19,750</b>	<b>17,910</b>	<b>12,960</b>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Non current	19,750	17,910	12,910
	<b>19,750</b>	<b>17,910</b>	<b>12,910</b>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan



### 13. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers. Minimum lease payments payable:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	3,451	3,000	3,421
Later than One Year and no Later than Five Years	3,543	2,000	2,864
Later than Five Years	-	-	-
Future Finance Charges	(663)	-	(593)
	6,331	5,000	5,691
<b>Represented by</b>			
Finance lease liability - Current	3,022	3,000	3,037
Finance lease liability - Non current	3,309	2,000	2,654
	6,331	5,000	5,691

### 14. Related Party Transactions

The School is a controlled entity of the Crown.

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 (Christian Schools Trust) , 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 are disclosed appropriately with an indication of the amount where relevant.

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 year is included in the notes of the Statement of Comprehensive Income as "Use of land and buildings".

### 15. Remuneration

#### Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	770	3,680
<i>Leadership Team</i>		
Remuneration	580,602	329,981
Full-time equivalent members	5.65	3
	581,372	333,661

Total key management personnel remuneration

There are 7 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance with 1 member and Property with 2 members that meet as required. 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

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

	2022 Actual	2021 Actual
Salaries and Other Short-term Employee Benefits:	\$000	\$000
Salary and Other Payments	130-140	130-140
Benefits and Other Emoluments	1-10	1-10
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
100 - 110	2	1
	<u>2</u>	<u>1</u>

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

## 16. Compensation and Other Benefits Upon Leaving

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

	2022 Actual	2021 Actual
Total	\$0	\$0
Number of People	-	-

## 17. 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 of trustees, 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.

### Contingent Asset- Additional funding wash up payment

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2022. The Ministry is in the process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The School has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023

## 18. Commitments

### (a) Capital Commitments

As at 31 December 2022, the School has no capital commitments.

(Capital commitments at 31 December 2021: nil)

### (b) Operating Commitments

As at 31 December 2022, the Board has no operating contracts:



## 19. Financial Instruments

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

### Cash and receivables

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	78,345	7,454	16,378
Receivables	134,452	110,000	95,998
Investments - Term Deposits	141,340	141,340	141,340
<b>Total Cash and Receivables</b>	<b>354,137</b>	<b>258,794</b>	<b>253,716</b>

### Financial liabilities measured at amortised cost

Payables	225,647	152,000	110,029
Finance Leases	3,309	5,000	2,654
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>228,956</b>	<b>157,000</b>	<b>112,683</b>

## 20. Comparatives

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

## 21. Events After Balance Date

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



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF ROLLESTON CHRISTIAN SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Rolleston Christian School (the School). The Auditor-General has appointed me, Nicole Dring, using the staff and resources of Deloitte 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 15, 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 title of the applicable financial reporting framework.

Our audit was completed on 24 May 2023. This is the date at which our opinion is expressed.

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

#### Basis for our opinion

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

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

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

#### Responsibilities of the Board for the financial statements

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

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



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

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

### **Responsibilities of the auditor for the audit of the financial statements**

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

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

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

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

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

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



- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

#### **Other information**

The Board is responsible for the other information. The other information comprises the Kiwisport Statement, Good employer compliance and the Analysis of Variance 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.

A handwritten signature in blue ink, appearing to read "Dring".

Nicole Dring  
Deloitte Limited  
On behalf of the Auditor-General  
Christchurch, New Zealand