

# WELLINGTON COLLEGE

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

<b>Ministry Number:</b>	275
<b>Headmaster:</b>	Glen Denham
<b>School Address:</b>	15 Dufferin Street ,Wellington ,6021
<b>School Postal Address:</b>	PO Box 16073,Wellington 6242
<b>School Phone:</b>	04 8022520
<b>School Email:</b>	<a href="mailto:admin@wc.school.nz">admin@wc.school.nz</a>

#### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Cam Harland	Presiding Member	Co-opted	13-Jun-22
Glen Denham	Headmaster ex Officio		
Linda Clark	Parent Representative	Elected	9-Aug-21
Masalosalo Taufale	Parent Representative	Elected	13-Jun-22
Geoff McLay	Parent Representative	Elected	13-Jun-22
David Wilks	Parent Representative	Co-opted	13-Jun-22
Karen Smith	Parent Representative	Elected	13-Jun-22
Paul Retimanu	Parent Representative	Elected	9-Aug-21
Mark Hargreaves	Parent Representative	Elected	13-Jun-22
Rewhia King	Parent Representative	Elected	13-Jun-22
Thorsten Harms	Staff Representative	Elected	24-Jun-21
Luncinda Lendrum	Staff Representative	Elected	13-Jun-22
Daniel Johnson	Student Representative	Elected	22-Nov-21
Henry Guy	Student Representative	Elected	19-Sep-22
Gregor Fountain	Principal ex Officio		31-Dec-21

# WELLINGTON COLLEGE

Annual Report - For the year ended 31 December 2021

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# Wellington College

## 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.

CAMERON JOHN HARLAND

Full Name of Presiding Member



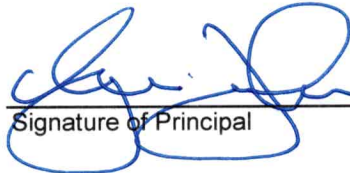
Signature of Presiding Member

20-5-2022

Date:

Glen Ivan Denham

Full Name of Principal



Signature of Principal

20-5-22

Date:

# Wellington College

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	16,393,311	16,252,308	16,948,579
Locally Raised Funds	3	2,332,115	2,388,496	2,438,241
Interest Income		57,562	30,000	73,757
International Students	4	703,001	668,530	1,060,200
		<u>19,485,989</u>	<u>19,339,334</u>	<u>20,520,777</u>
<b>Expenses</b>				
Locally Raised Funds	3	1,027,202	1,271,330	1,088,384
International Students	4	127,492	199,000	403,588
Learning Resources	5	12,246,964	11,463,755	11,524,214
Administration	6	646,637	690,711	764,022
Finance		10,857	20,000	13,968
Property	7	4,206,688	4,751,231	4,874,295
Depreciation	12	819,531	963,332	968,620
Loss on Disposal of Property, Plant and Equipment		17,161	10,000	5,425
		<u>19,102,532</u>	<u>19,369,359</u>	<u>19,642,516</u>
<b>Net Surplus / (Deficit) for the year</b>		383,457	(30,025)	878,261
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>383,457</u></u>	<u><u>(30,025)</u></u>	<u><u>878,261</u></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.

**Wellington College**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>		12,407,330	12,411,614	11,529,069
Total comprehensive revenue and expense for the year		383,457	(30,025)	878,261
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		30,247	-	-
<b>Equity at 31 December</b>		12,821,034	12,381,589	12,407,330
Retained Earnings		10,336,710	9,897,265	9,923,006
Reserves		2,484,324	2,484,324	2,484,324
<b>Equity at 31 December</b>		12,821,034	12,381,589	12,407,330

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.

**Wellington College**  
**Statement of Financial Position**  
As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	969,682	600,000	1,034,032
Accounts Receivable	9	923,889	1,120,000	1,161,180
GST Receivable		186,930	70,000	33,101
Prepayments		164,944	170,000	140,339
Inventories	10	204,534	235,000	231,479
Investments	11	4,505,000	3,205,000	3,175,000
		<u>6,954,979</u>	<u>5,400,000</u>	<u>5,775,131</u>
<b>Current Liabilities</b>				
Accounts Payable	13	2,606,436	1,620,000	1,689,130
Revenue Received in Advance	14	601,223	590,000	910,415
Provision for Cyclical Maintenance	15	45,500	-	10,000
Painting Contract Liability	16	89,184	50,000	39,580
Finance Lease Liability	17	59,755	65,000	65,787
Funds held in Trust	18	760,069	688,524	958,437
Funds held for Capital Works Projects	19	76,840	-	44,280
		<u>4,239,007</u>	<u>3,013,524</u>	<u>3,717,629</u>
<b>Working Capital Surplus/(Deficit)</b>		<u>2,715,972</u>	<u>2,386,476</u>	<u>2,057,502</u>
<b>Non-current Assets</b>				
Investments	11	-	-	30,000
Property, Plant and Equipment	12	10,419,177	10,227,848	10,510,393
		<u>10,419,177</u>	<u>10,227,848</u>	<u>10,540,393</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	92,500	162,735	116,617
Painting Contract Liability	16	155,911	-	-
Finance Lease Liability	17	65,704	70,000	73,948
		<u>314,115</u>	<u>232,735</u>	<u>190,565</u>
<b>Net Assets</b>		<u>12,821,034</u>	<u>12,381,589</u>	<u>12,407,330</u>
<b>Equity</b>		<u>12,821,034</u>	<u>12,381,589</u>	<u>12,407,330</u>

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

**Wellington College**  
**Statement of Cash Flows**  
For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		3,454,318	15,763,922	3,414,767
Locally Raised Funds		2,691,640	1,458,496	2,187,111
International Students		344,118	1,068,530	984,429
Goods and Services Tax (net)		(153,830)	(70,000)	42,035
Payments to Employees		(2,422,751)	(2,336,037)	(2,592,740)
Payments to Suppliers		(1,796,277)	(1,767,255)	(2,461,730)
Interest Paid		(10,857)	(20,000)	(13,967)
Interest Received		64,185	30,000	62,404
Net cash from/(to) Operating Activities		2,170,546	14,127,656	1,622,309
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	9,347	-
Purchase of Property Plant & Equipment (and Intangibles)		(745,476)	(10,792,596)	(296,003)
Purchase of Investments		(1,300,000)	(3,205,000)	(1,359,997)
Net cash from/(to) Investing Activities		(2,045,476)	(13,988,249)	(1,656,000)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		30,247	-	-
Finance Lease Payments		(14,276)	(277,931)	(28,576)
Painting contract payments		(39,583)	50,000	-
Funds Administered on Behalf of Third Parties		(165,808)	688,524	(357,300)
Net cash from/(to) Financing Activities		(189,420)	460,593	(385,876)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(64,350)</b>	<b>600,000</b>	<b>(419,567)</b>
Cash and cash equivalents at the beginning of the year	8	1,034,032	-	1,453,599
<b>Cash and cash equivalents at the end of the year</b>	8	<b>969,682</b>	<b>600,000</b>	<b>1,034,032</b>

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

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

# Wellington College

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

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

##### b) Basis of Preparation

###### **Reporting Period**

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

###### **Basis of Preparation**

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

###### **Financial Reporting Standards Applied**

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

###### **PBE Accounting Standards Reduced Disclosure Regime**

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

###### **Measurement Base**

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

###### **Presentation Currency**

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

###### **Specific Accounting Policies**

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

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

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

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

###### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

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



#### *Recognition of grants*

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

#### **c) Revenue Recognition**

##### **Government Grants**

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

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

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

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

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

##### **Other Grants**

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

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

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

##### **Interest Revenue**

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

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

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

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

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

##### **f) Accounts Receivable**

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

##### **g) Inventories**

Inventories are consumable items held for sale and comprised of 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.

##### **h) 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.

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

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

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

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

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

##### **Finance Leases**

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged

to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

**Depreciation**

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

The estimated useful lives of the assets are:

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

**j) 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.

**k) 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.

**l) Employee Entitlements**

*Short-term employee entitlements*

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

*Long-term employee entitlements*

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

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

**m) 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.

**n) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and 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.

**o) Provision for Cyclical Maintenance**

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry

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, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

**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.

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

**q) Goods and Services Tax (GST)**

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

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

Commitments and contingencies are disclosed exclusive of GST.

**r) Budget Figures**

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

**u) Services received in-kind**

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

## 2. Government Grants

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Operational Grants	3,126,306	2,976,986	3,022,286
Teachers' Salaries Grants	10,182,585	9,300,000	9,708,406
Use of Land and Buildings Grants	2,756,408	3,600,000	3,825,406
Other MoE Grants	255,382	305,100	286,686
Other Government Grants	72,630	70,222	105,795
	<u>16,393,311</u>	<u>16,252,308</u>	<u>16,948,579</u>

## 3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
<b>Revenue</b>			
Donations & Bequests	914,384	750,000	933,995
Curriculum related Activities - Purchase of goods and services	183,227	134,606	203,330
Fees for Extra Curricular Activities	492,174	717,790	536,105
Trading	419,683	515,000	441,641
Fundraising & Community Grants	107,243	68,000	52,503
Other Revenue	215,404	203,100	270,667
	<u>2,332,115</u>	<u>2,388,496</u>	<u>2,438,241</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	604,058	779,830	653,080
Trading	378,540	435,000	356,296
Fundraising and Community Grant Costs	11,460	15,000	3,880
Other Locally Raised Funds Expenditure	33,144	41,500	75,128
	<u>1,027,202</u>	<u>1,271,330</u>	<u>1,088,384</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>1,304,913</u>	<u>1,117,166</u>	<u>1,349,857</u>

## 4. International Student Revenue and Expenses

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	Number	Number	Number
International Student Roll	44	43	70
	<u>2021 Actual</u>	<u>2021 Budget (Unaudited)</u>	<u>2020 Actual</u>
	\$	\$	\$
<b>Revenue</b>			
International Student Fees	703,001	668,530	1,060,200
<b>Expenses</b>			
Student Recruitment	(414)	70,000	28,563
Employee Benefit - Salaries	48,557	52,000	221,361
Other Expenses	79,349	77,000	153,664
	<u>127,492</u>	<u>199,000</u>	<u>403,588</u>
<i>Surplus/ (Deficit) for the year International Students</i>	<u>575,509</u>	<u>469,530</u>	<u>656,612</u>

## 5. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	387,901	446,996	388,077
Other	78,643	102,650	73,932
Information and Communication Technology	133,457	138,909	96,585
Library Resources	19,217	7,987	24,474
Employee Benefits - Salaries	11,584,235	10,729,213	10,924,135
Staff Development	43,511	38,000	17,011
	<u>12,246,964</u>	<u>11,463,755</u>	<u>11,524,214</u>

## 6. Administration

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Audit Fee	11,900	10,818	10,818
Board Fees	4,635	6,300	5,205
Board Expenses	12,455	4,000	4,069
Communication	21,577	32,000	29,751
Consumables	26,309	31,500	29,886
Legal Fees	1,900	4,000	3,649
Other	8,780	60,000	11,288
Employee Benefits - Salaries	369,404	372,093	519,522
Insurance	149,162	150,000	141,384
Service Providers, Contractors and Consultancy	40,515	20,000	8,450
	<u>646,637</u>	<u>690,711</u>	<u>764,022</u>

## 7. Property

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	23,342	32,000	24,852
Painting Contract	245,099	-	357
Cyclical Maintenance Provision	11,383	57,000	29,717
Grounds	97,886	65,000	56,888
Heat, Light and Water	179,950	198,000	173,021
Rates	26,117	24,000	24,334
Repairs and Maintenance	332,407	215,500	227,883
Use of Land and Buildings	2,756,408	3,600,000	3,825,406
Security	9,648	12,000	7,495
Employee Benefits - Salaries	524,448	547,731	504,342
	<u>4,206,688</u>	<u>4,751,231</u>	<u>4,874,295</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, the use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

**8. Cash and Cash Equivalents**

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Bank Accounts	969,682	600,000	1,034,032

**9. Accounts Receivable**

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Receivables	13,875	1,120,000	323,709
Interest Receivable	19,716	-	26,339
Teacher Salaries Grant Receivable	890,298	-	811,132
	<u>923,889</u>	<u>1,120,000</u>	<u>1,161,180</u>
Receivables from Exchange Transactions	33,591	1,120,000	350,048
Receivables from Non-Exchange Transactions	890,298	-	811,132
	<u>923,889</u>	<u>1,120,000</u>	<u>1,161,180</u>

**10. Inventories**

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
School Uniforms	204,534	235,000	231,479
	<u>204,534</u>	<u>235,000</u>	<u>231,479</u>

**11. Investments**

The School's investment activities are classified as follows:

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	4,505,000	3,205,000	3,175,000
Non-current Asset			
Long-term Bank Deposits	-	-	30,000
Total Investments	<u>4,505,000</u>	<u>3,205,000</u>	<u>3,205,000</u>

## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	8,400,447		(4,112)		(281,333)	<b>8,115,002</b>
Furniture and Equipment	1,529,549	621,850	(7,434)		(345,459)	<b>1,798,506</b>
Information and Communication Technology	212,290	73,140	(5,615)		(103,762)	<b>176,053</b>
Motor Vehicles	16,739				(2,609)	<b>14,130</b>
Textbooks	149,413				(18,677)	<b>130,736</b>
Leased Assets	128,387	125,724	(75,238)		(58,495)	<b>120,378</b>
Library Resources	73,568				(9,196)	<b>64,372</b>
<b>Balance at 31 December 2021</b>	<b>10,510,393</b>	<b>820,714</b>	<b>(92,399)</b>	<b>-</b>	<b>(819,531)</b>	<b>10,419,177</b>

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Buildings	11,095,694	(2,980,692)	<b>8,115,002</b>	11,104,694	(2,704,247)	<b>8,400,447</b>
Furniture and Equipment	5,377,385	(3,578,878)	<b>1,798,507</b>	4,898,317	(3,368,768)	<b>1,529,549</b>
Information and Communication Technology	803,707	(627,655)	<b>176,052</b>	968,492	(756,202)	<b>212,290</b>
Motor Vehicles	26,086	(11,956)	<b>14,130</b>	26,086	(9,347)	<b>16,739</b>
Textbooks	466,140	(335,404)	<b>130,736</b>	466,140	(316,727)	<b>149,413</b>
Leased Assets	297,886	(177,508)	<b>120,378</b>	362,011	(233,624)	<b>128,387</b>
Library Resources	299,627	(235,255)	<b>64,372</b>	299,627	(226,059)	<b>73,568</b>
<b>Balance at 31 December</b>	<b>18,366,525</b>	<b>(7,947,348)</b>	<b>10,419,177</b>	<b>18,125,367</b>	<b>(7,614,974)</b>	<b>10,510,393</b>

## 13. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	1,032,520	300,000	298,725
Accruals	1,506,719	1,255,000	1,323,682
Employee Entitlements - Leave Accrual	67,197	65,000	66,723
	<b>2,606,436</b>	<b>1,620,000</b>	<b>1,689,130</b>
Payables for Exchange Transactions	2,606,436	1,620,000	1,689,130
	<b>2,606,436</b>	<b>1,620,000</b>	<b>1,689,130</b>

The carrying value of payables approximates their fair value.

**14. Revenue Received in Advance**

	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>Actual</b>	<b>Budget (Unaudited)</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
International Student Fees in Advance	299,130	400,000	658,013
Other revenue in Advance	302,093	190,000	252,402
	<u>601,223</u>	<u>590,000</u>	<u>910,415</u>

**15. Provision for Cyclical Maintenance**

	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>Actual</b>	<b>Budget (Unaudited)</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Provision at the Start of the Year	126,617	126,617	96,900
Increase/ (decrease) to the Provision During the Year	11,383	57,000	29,717
Use of the Provision During the Year	-	(20,882)	(357)
Provision at the End of the Year	<u>138,000</u>	<u>162,735</u>	<u>126,260</u>
Cyclical Maintenance - Current	45,500	-	10,000
Cyclical Maintenance - Term	92,500	162,735	116,617
	<u>138,000</u>	<u>162,735</u>	<u>126,617</u>

**16. Painting Contract Liability**

	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>Actual</b>	<b>Budget (Unaudited)</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Due within one year	89,184	50,000	39,580
Due after one year	155,911	-	-
	<u>245,095</u>	<u>50,000</u>	<u>39,580</u>

In 2021 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering an seven year period. The programme provides for an exterior repaint of the Ministry owned buildings in 2022, with regular maintenance in subsequent years. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.



## 17. 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	34,783	65,000	110,500
Later than One Year and no Later than Five Years	35,112	70,000	111,994
Future Finance Charges	55,564	-	(82,759)
	<u>125,459</u>	<u>135,000</u>	<u>139,735</u>
<b>Represented by</b>			
Finance lease liability - Current	59,755	65,000	65,787
Finance lease liability - Term	65,704	70,000	73,948
	<u>125,459</u>	<u>135,000</u>	<u>139,735</u>

## 18. Funds held in Trust

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	760,069	688,524	958,437
	<u>760,069</u>	<u>688,524</u>	<u>958,437</u>

## 19. Funds Held for Capital Works Projects

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

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Sports Centre Re Roof	-	52,500	(24,767)	-	27,733
Blk H Cladding and Roller	14,397	7,956	(22,353)	-	-
Weater Tightness Stud Services	29,883	90,000	(116,076)	-	3,807
Tower Block Anchor Points	-	47,400	(2,100)	-	45,300
Totals	<u>44,280</u>	<u>197,856</u>	<u>(165,296)</u>	<u>-</u>	<u>76,840</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	76,840
Funds Due from the Ministry of Education	-
	<u>76,840</u>

2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Fire Damaged Toilets	-	42,830	(42,830)	-	-
LED Install in Sports Centre	(8,597)	710	(900)	8,787	-
Blk H Cladding and Roller	-	72,000	(57,603)	-	14,397
Weater Tightness Stud Services	98,200	-	(68,317)	-	29,883
Totals	<u>89,603</u>	<u>115,540</u>	<u>(169,650)</u>	<u>8,787</u>	<u>44,280</u>

## 20. 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.

## 21. Remuneration

### Key management personnel compensation

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

	<b>2021 Actual \$</b>	<b>2020 Actual \$</b>
<i>Board Members</i>		
Remuneration	4,635	5,205
 <i>Leadership Team</i>		
Remuneration	938,833	913,194
Full-time equivalent members	6	6
 Total key management personnel remuneration	943,468	918,399

There are nine members of the Board excluding the Principal. The Board held ten full meetings of the Board in the year. The Board also has Finance and Property (five members), Policy (four members) and Personnel (three members) Committees that meet monthly. 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:

	<b>2021 Actual \$000</b>	<b>2020 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	200 - 210	200 - 210
Benefits and Other Emoluments	5-10	5-10
Termination Benefits	-	-

### Other Employees

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

<b>Remuneration \$000</b>	<b>2021 FTE Number</b>	<b>2020 FTE Number</b>
100 - 120	30.00	22.00
	30.00	22.00

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

## 22. 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	\$0	\$62,530
Number of People	0	4

## 23. Contingencies

### PROGRAMMED MAINTENANCE SERVICES

Painting the exterior of the college. The new contract started December 2021 and expires 2027.

### FINANCE LEASES

The college has 11 leases for laptops and one lease for copiers

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.

## 24. Commitments

As at 31 December 2021 the Board has entered into a contract with Polytan NZ Limited to resurface the Artificial Turf for \$732,108 of which \$74,065 has been spent to date.

(Capital commitments at 31 December 2020: \$83,000)

### (b) Operating Commitments

As at 31 December 2021 the Board has entered into the following contracts:

(a) operating lease of a EFTPOS Machine;

	2021 Actual \$	2020 Actual \$
No later than One Year	1,689	2,112
Later than One Year and No Later than Five Years	-	1,689
	<u>1,689</u>	<u>3,801</u>

## 25. 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	969,682	600,000	1,034,032
Receivables	923,889	1,120,000	1,161,180
Investments - Term Deposits	4,505,000	3,205,000	3,205,000
Total Financial assets measured at amortised cost	<u>6,398,571</u>	<u>4,925,000</u>	<u>5,400,212</u>

### Financial liabilities measured at amortised cost

Payables	2,606,436	1,620,000	1,689,130
Finance Leases	125,459	135,000	139,735
Painting Contract Liability	245,095	50,000	39,580
Total Financial Liabilities Measured at Amortised Cost	<u>2,976,990</u>	<u>1,805,000</u>	<u>1,868,445</u>

## 26. Events After Balance Date

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

# **Wellington College**

## **Report on Special and Contestable Funding**

### **For the Year ended 31 December 2021**

#### **Kiwisport**

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2021 the school received Kiwisport funding of \$ 43,110 (GST exclusive).  
-2020 \$42,318 (GST exclusive)  
The funding was spent on employment of a Sports Director.

In 2021 69% of students participated in a sport at Wellington College compared to 66% in 2020.  
In 2021 37% of staff were involved in Sport compared to 36% in 2020.