

ELIM CHRISTIAN COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Ministry Number: 1190
Principal: Roger Murray Burton
School Address: 159 Botany Road, Auckland 2010
School Postal Address: PO Box 58644, Botany, Auckland 2163
School Phone: 09-538 0368
School Email: botany@elim.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Chris Bethwaite	Presiding Member resigned	Appointed Feb 2020	May 2022
Hayden Briscoe	Presiding Member	Appointed February 2021	N/A
Roger Murray Burton	Principal	ex Officio	N/A
Lloyd Ratnaraja	Parent Rep	Appointed January 2021	N/A
Richard King	Parent Rep/Deputy Presiding Member	Elected June 2019	May 2022
Joanna Lee	Parent Rep	Elected June 2019	May 2022
Jiun Singh	Parent Rep	Elected June 2019	October 2021
Richard Wagener	Parent Rep	Elected June 2019	May 2022
Hayden Briscoe	Proprietor Rep	Appointed June 2016	N/A
Bill Kathagen	Proprietor Rep	Appointed May 2013	N/A
Colin Marshall	Proprietor Rep	Appointed March 2018	N/A
Lehan Stemmet	Proprietor Rep	Appointed Jan 2021	N/A
Stephen Briscoe	Staff Rep	Elected June 2019	N/A
Matthew Palmer	Student Rep	Elected Sept 2020	July 2021

Accountant / Service Provider:

Elim Christian Centre - Financial Services

ELIM CHRISTIAN COLLEGE

Annual Report - For the year ended 31 December 2021

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Analysis of Variance

Kiwisport

Elim Christian College

Statement of Responsibility

For the year ended 31 December 2021

The Board of Trustees 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.

Leendert Johannes Stemmet

Full Name of Presiding Member



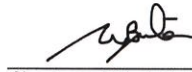
Signature of Presiding Member

04 April 2023

Date:

Roger Murray Burton

Full Name of Principal



Signature of Principal

04.04.23

Date:

Elim Christian College
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Government Grants	2	10,102,748	9,359,494	9,928,346
Locally Raised Funds	3	595,471	1,130,964	746,113
Use of Proprietor's Land and Buildings		2,770,000	5,130,000	4,780,000
Interest Earned		12,807	27,000	29,080
Gain on Sale of Property, Plant and Equipment		6,083	-	-
International Students	4	425,829	844,500	425,361
Other Revenue		1,515	1,875	1,400
		<hr/>	<hr/>	<hr/>
		13,914,453	16,493,833	15,910,301
Expenses				
Locally Raised Funds	3	205,768	824,600	267,652
International Students	4	72,796	235,500	91,528
Learning Resources	5	9,842,134	8,654,212	9,135,244
Administration	6	886,044	794,178	800,169
Finance		4,075	7,080	9,174
Property	7	3,437,721	5,713,080	5,357,187
Depreciation	8	333,000	358,487	318,731
Loss on Disposal of Property, Plant and Equipment	12	1,207	5,000	777
Amortisation of Intangible Assets	13	600	600	600
Transport		-	-	-
		<hr/>	<hr/>	<hr/>
		14,783,345	16,592,737	15,981,063
Net Surplus / (Deficit) for the year		(868,892)	(98,904)	(70,762)
Other Comprehensive Revenue and Expenses		-	-	-
		<hr/>	<hr/>	<hr/>
Total Comprehensive Revenue and Expense for the Year		<hr/> (868,892)	<hr/> (98,904)	<hr/> (70,762)

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

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

	Actual 2021 \$	Budget 2021 \$	Actual 2020 \$
Balance at 1 January 2021	<u>2,396,858</u>	<u>2,427,405</u>	<u>2,427,405</u>
Total comprehensive revenue and expense for the year	(868,892)	(98,904)	(70,762)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	42,836	37,050	40,215
Equity at 31 December 2021	<u>1,570,802</u>	<u>2,365,551</u>	<u>2,396,858</u>
Retained Earnings	1,570,802	2,365,551	2,396,858
Reserves	-	-	-
Equity at 31 December 2021	<u>1,570,802</u>	<u>2,365,551</u>	<u>2,396,858</u>

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.

Elim Christian College
Statement of Financial Position
As at 31 December 2021

		2021	2021	2020
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	9	476,750	1,009,622	1,149,511
Accounts Receivable	10	656,396	566,375	615,966
GST Receivable		517	10,000	4,921
Prepayments		38,053	40,000	23,359
Investments	11	400,000	800,000	1,000,000
		<hr/>	<hr/>	<hr/>
		1,571,716	2,425,997	2,793,757
Current Liabilities				
GST Payable		-	-	-
Accounts Payable	14	887,110	744,600	862,666
Borrowings - Due in one year	17	-	-	-
Revenue Received in Advance	15	131,834	533,500	462,344
Provision for Cyclical Maintenance	16	82,650	232,693	133,130
Painting Contract Liability - Current Portion	20	-	-	-
Finance Lease Liability - Current Portion	17	26,863	37,438	33,294
Funds held in Trust	18	117,360	267,990	322,738
Funds held for Capital Works Projects	23	-	-	-
Funds for RTLB services	24	-	-	-
Funds held on behalf of Kiwi Park Cluster	25	-	-	-
		<hr/>	<hr/>	<hr/>
		1,245,817	1,816,221	1,814,171
Working Capital Surplus/(Deficit)		325,899	609,776	979,587
Non-current Assets				
Investments	11	-	-	-
Property, Plant and Equipment	12	1,627,706	1,888,080	1,684,596
Intangible Assets	13	3,650	3,700	4,249
		<hr/>	<hr/>	<hr/>
		1,631,356	1,891,780	1,688,845
Non-current Liabilities				
Provision for Cyclical Maintenance	16	365,370	94,077	250,570
Finance Lease Liability	17	21,079	41,928	21,003
		<hr/>	<hr/>	<hr/>
		386,449	136,005	271,573
Net Assets		<hr/>	<hr/>	<hr/>
		1,570,806	2,365,551	2,396,858
Equity				
	24	<hr/>	<hr/>	<hr/>
		1,570,806	2,365,551	2,396,858

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

Elim Christian College
Statement of Cash Flows
For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
Cash flows from Operating Activities				
Government Grants		2,658,607	2,557,196	2,781,577
Locally Raised Funds		579,427	1,132,149	749,103
Hostel		-	-	-
International Students		94,844	915,954	370,770
Goods and Services Tax (net)		4,406	(5,079)	48,093
Payments to Employees		(2,672,727)	(2,147,644)	(2,326,100)
Payments to Suppliers		(1,502,514)	(2,152,434)	(1,228,136)
Cyclical Maintenance Payments in the year		(8,890)	(133,130)	(10,228)
Interest Paid		(4,075)	(4,500)	(9,174)
Interest Received		18,289	29,366	29,953
Net cash from / (to) the Operating Activities		(832,633)	191,880	405,858
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		6,999	5,000	-
Purchase of PPE (and Intangibles)		(311,482)	(397,007)	(143,556)
Purchase of Investments		(400,000)	(650,000)	(800,000)
Proceeds from Sale of Investments		1,000,000	800,000	400,000
Net cash from / (to) the Investing Activities		295,517	(242,007)	(543,556)
Cash flows from Financing Activities				
Furniture and Equipment Grant		42,836	44,000	40,215
Finance Lease Payments		26,897	26,606	(25,831)
Painting contract payments		-	-	-
Loans Received/ Repayment of Loans		-	-	-
Funds Administered on Behalf of Third Parties		(205,378)	(125,000)	(170,212)
Funds Held for Capital Works Projects		-	-	-
Net cash from Financing Activities		(135,645)	(54,394)	(155,828)
Net increase/(decrease) in cash and cash equivalents		(672,761)	(104,521)	(293,526)
Cash and cash equivalents at the beginning of the year	9	1,149,511	1,149,511	1,443,037
Cash and cash equivalents at the end of the year	9	476,750	1,044,990	1,149,511

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.

Elim Christian College

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Elim Christian College (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Trading Act 2020. The Board of Trustees (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 Trading 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 Trading 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 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. Finance leases are disclosed at note 17.

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.

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 (Elim Proprietors Trust). 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.

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

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.

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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:

Furniture and equipment	3 - 15 years
Motor vehicles	8 - 10 years
Textbooks	3 - 5 years
Library resources	10 - 15 years
Leased assets - Proprietor	4 - 15 years
Leasehold Improvements - Playground	10 - 15 years
Leased assets held under a Finance Lease	3 years

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.

Computer software licences with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

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 - 50 days of recognition.

n) 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, annual leave earned to but not yet taken at balance date.

o) Revenue Received in Advance

Revenue received in advance relates to fees received from international students and 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.

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) 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.

q) 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 provisions for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).

r) 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 "loans and receivables" for accounting purposes in accordance with financial reporting standards.

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

s) 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 not limited to bank overdrafts, operating leases, finance leases.

t) 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.

u) Budget Figures

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

v) 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 \$	2020 Actual \$
Operational grants	2,340,778	2,259,446	2,410,325
Teachers' salaries grants	7,437,262	6,802,000	7,197,150
Resource teachers learning and behaviour grants	19,274	7,133	14,907
Secondary tertiary alignment resource funding grant	67,663	70,052	71,166
Other MoE Grants	185,410	175,900	187,967
Gateway - TEC	46,225	43,163	43,163
Other government grants	6,136	1,800	3,668
	<u>10,102,748</u>	<u>9,359,494</u>	<u>9,928,346</u>

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue			
Donations	39,514	69,000	62,035
Activities	222,465	299,840	267,827
Student Overseas Travel	-	300,000	2,000
Trading	13,307	22,440	18,017
Fundraising	5,449	9,900	1,994
Other Revenue	314,735	429,784	394,240
	<u>595,471</u>	<u>1,130,964</u>	<u>746,113</u>
Expenses			
Activities	189,634	507,500	250,097
Student Overseas Travel	-	300,000	1,005
Trading	141	1,800	1,168
Fundraising costs	1,903	-	-
Transport (local)	-	-	-
Other Expenses	14,090	15,300	15,382
	<u>205,768</u>	<u>824,600</u>	<u>267,652</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>389,703</u>	<u>306,364</u>	<u>478,461</u>

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget Number	2020 Actual Number
International Student Roll	32	55	45
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
International student fees	425,829	844,500	425,361
Expenses			
Commissions	25,889	64,800	25,520
Recruitment	1,731	43,800	2,398
International student levy	10,091	22,800	13,638
Employee Benefit - Salaries	21,514	72,000	35,884
Other Expenses	13,571	32,100	14,088
	<u>72,796</u>	<u>235,500</u>	<u>91,528</u>
<i>Surplus/ (Deficit) for the year International Students'</i>	<u>353,033</u>	<u>609,000</u>	<u>333,833</u>

5. Learning Resources

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Curricular	179,855	273,842	208,619
Equipment repairs	11,555	31,200	16,016
Information and communication technology	25,019	35,443	30,307
Library resources	1,759	7,800	1,376
Employee benefits - salaries	9,570,954	8,221,684	8,816,027
Staff development	52,992	84,243	62,899
	<u>9,842,134</u>	<u>8,654,212</u>	<u>9,135,244</u>

6. Administration

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Audit Fee	7,531	7,560	7,531
Board of Trustees Fees	3,035	4,800	6,065
Board of Trustees Expenses	5,988	8,400	6,585
Communication	40,923	28,200	28,300
Consumables	6,111	10,500	7,846
Operating Lease	1,434	1,860	1,434
Legal Fees	23,000	-	-
Postage	182	1,080	461
Other	29,815	24,760	13,929
Staff Expenses	25,333	34,940	29,398
Subscriptions & Licences	7,361	9,840	9,767
Employee Benefits - Salaries	589,840	640,800	645,547
Insurance	18,011	19,038	19,306
Service Providers, Contractors and Consultancy	127,480	2,400	24,000
	<u>886,044</u>	<u>794,178</u>	<u>800,169</u>

7. Property

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Caretaking and Cleaning Consumables	10,475	22,440	13,610
Consultancy and Contract Services	406,417	251,000	252,287
Cyclical Maintenance Expense	73,210	76,200	78,401
Grounds	16,366	16,040	14,520
Heat, Light and Water	90,609	128,160	110,508
Repairs and Maintenance	30,967	54,380	63,654
Use of Proprietor's Land and Buildings	2,770,000	5,130,000	4,780,000
Security	39,677	34,860	44,207
Employee Benefits - Salaries	-	-	-
	<u>3,437,721</u>	<u>5,713,080</u>	<u>5,357,187</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.

8. Depreciation

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Furniture and Equipment	96,727	94,891	87,260
Information and Communication Technology	64,015	71,719	59,352
Motor Vehicles	18,156	21,489	18,156
Textbooks	13,449	13,480	8,956
Library Resources	1,438	2,664	1,627
Leased Assets	24,621	19,564	18,308
Leasehold Imp - Playground	80,355	84,880	80,199
Leased Teacher Laptops	34,239	49,800	44,873
	<u>333,000</u>	<u>358,487</u>	<u>318,731</u>

9. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	400	400	400
Bank Current Account	94,359	109,695	101,659
Bank Call Account	181,991	699,527	847,452
Short-term Bank Deposits	200,000	200,000	200,000
Cash and cash equivalents for Cash Flow Statement	476,750	1,009,622	1,149,511

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

Of the \$476,750 Cash and Cash Equivalents, \$1000 (2020 \$0) of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

Of the \$476,750 Cash and Cash Equivalents, \$117,360 (2020 \$322,738) of funds held in trust on behalf of third parties. The school will transfer this funding to revenues at appropriate intervals during the period of enrolment for each student. If these requirements are not met, the funds will need to be returned.

10. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	\$	\$
Receivables	21,869	5,000	4,310
Receivables from the Ministry of Education	3,375	3,375	3,375
Interest Receivable	3,201	6,400	8,683
Teacher Salaries Grant Receivable	627,951	551,600	599,598
	656,396	566,375	615,966
Receivables from Exchange Transactions	25,071	11,400	12,993
Receivables from Non-Exchange Transactions	631,325	554,975	602,973
	656,396	566,375	615,966

The School's investment activities are classified as follows:

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	400,000	800,000	1,000,000
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	400,000	800,000	1,000,000

12. Property, Plant and Equipment

	Opening Bal	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2021						
Furniture and Equipment	418,406	108,925	(1,998)	-	(96,727)	428,606
Information and Communication Technology	76,438	41,417	(125)	-	(64,015)	53,715
Motor Vehicles	80,227	-	-	-	(18,156)	62,072
Textbooks	17,163	34,909	-	-	(13,449)	38,623
Library Resources	8,744	-	-	-	(1,438)	7,306
Leased Assets	147,544	62,852	-	-	(24,621)	185,775
Leasehold Imp - Playground	884,506	1,409	-	-	(80,355)	805,560
Leased Teacher Laptops	51,567	28,722	-	-	(34,239)	46,050
Balance at 31 December 2021	1,684,595	278,234	(2,123)	-	(333,000)	1,627,706

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2021			
Furniture and Equipment	1,324,899	(896,294)	428,605
Information and Communication Technology	446,935	(393,219)	53,715
Motor Vehicles	172,922	(110,850)	62,072
Textbooks	101,221	(62,598)	38,623
Library Resources	28,631	(21,325)	7,306
Leased Assets	337,725	(151,950)	185,775
Leasehold Imp - Playground	1,183,231	(377,671)	805,560
Leased Teacher Laptops	102,572	(56,522)	46,050
Balance at 31 December 2021	3,698,136	(2,070,430)	1,627,706

	Opening Bal (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2020						
Furniture and Equipment	461,630	44,813	(777)	-	(87,260)	418,406
Information and Communication Technology	95,593	40,198	-	-	(59,352)	76,439
Motor Vehicles	98,383	-	-	-	(18,156)	80,227
Textbooks	11,762	14,357	-	-	(8,956)	17,163
Library Resources	8,044	2,327	-	-	(1,627)	8,744
Leased Assets	142,911	22,942	-	-	(18,308)	147,544
Leasehold Imp - Playground	964,203	502	-	-	(80,199)	884,506
Leased Teacher Laptops	69,485	26,955	-	-	(44,873)	51,567
Balance at 31 December 2020	1,852,011	152,093	(777)	-	(318,731)	1,684,596

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2020			
Furniture and Equipment	1,220,086	(801,680)	418,406
Information and Communication Technology	410,005	(333,566)	76,439
Motor Vehicles	184,477	(104,250)	80,227
Textbooks	66,313	(49,150)	17,163
Library Resources	28,631	(19,887)	8,744
Leased Assets	274,873	(127,329)	147,544
Leasehold Imp - Playground	1,181,822	(297,316)	884,506
Leased Teacher Laptops	135,823	(84,256)	51,567
Balance at 31 December 2020	3,502,030	(1,817,434)	1,684,596

13. Intangible Assets

The School's Intangible Assets are made up of acquired computer software.

	Acquired software	Internally generated software	Total \$
Cost			
Balance at 1 January 2020	6,000	-	6,000
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2020 / 1 January 2021	6,000	-	6,000
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2021	6,000	-	6,000
Accumulated Amortisation and impairment losses			
Balance at 1 January 2020	1,150	-	1,150
Amortisation expense	600	-	600
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2020 / 1 January 2021	1,750	-	1,750
Amortisation expense	600	-	600
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2021	2,350	-	2,350
Carrying amounts			
At 1 January 2020	4,850	-	4,850
At 31 December 2020 / 1 January 2021	4,250	-	4,250
At 31 December 2021	3,650	-	3,650

Restrictions

There are no restrictions over the title of the school's intangible assets, nor are any intangible assets pledged as security for liabilities.

Capital commitments

The amount of contractual commitments for the acquisition of intangible assets is \$nil (2020 \$nil)

14. Accounts Payable

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Operating creditors	48,515	82,000	97,476
Accruals	49,519	30,000	69,432
Banking staffing overuse	2,292	1,000	-
Employee Entitlements - salaries	785,665	601,600	680,467
Employee Entitlements - leave accrual	1,118	30,000	15,291
	<u>887,110</u>	<u>744,600</u>	<u>862,666</u>
Payables for Exchange Transactions	257,566	221,000	263,068
Payables for Non-exchange Transactions - Other	629,544	523,600	599,598
	<u>887,110</u>	<u>744,600</u>	<u>862,666</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Grants in Advance - Ministry of Education	(227)	-	298
International Student Fees	131,061	533,500	462,046
Other	1,000	-	-
	<u>131,834</u>	<u>533,500</u>	<u>462,344</u>

16. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Provision at the Start of the Year	383,700	383,700	315,527
Increase/ (decrease) to the Provision During the Year	76,199	76,200	76,000
Use of the Provision During the Year	(11,879)	(133,130)	(7,827)
Provision at the End of the Year	<u>448,020</u>	<u>326,770</u>	<u>383,700</u>
Cyclical Maintenance - Current	82,650	232,693	133,130
Cyclical Maintenance - Term	365,370	94,077	250,570
	<u>448,020</u>	<u>326,770</u>	<u>383,700</u>

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 \$	2020 Actual \$
No Later than One Year	26,863	16,000	13,140
Later than One Year and no Later than Five Years	21,079	10,000	12,239
Later than Five Years	-	-	-
	<u>47,942</u>	<u>26,000</u>	<u>25,379</u>

18. Funds held in Trust

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	117,360	303,358	322,738
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>117,360</u>	<u>303,358</u>	<u>322,738</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

19. 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 (Elim Proprietors 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 have been disclosed appropriately, if the Proprietor collects funds on behalf of the school (or vice versa) the amounts are disclosed.

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

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include attendance dues and levies payable to the Proprietor. The amounts collected in total were \$43,515 (2020: \$207,868). These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the proprietor are \$20,470 (2020: \$127,406).

Auckland East City Elim Trust (operating as Elim Christian Centre and Elim Campus Services) is a related party as there are common members of its Board (Oversight) and the Proprietor's Board, and it provides oversight to promote the Elim faith central to the special character of the school.

The school has entered into a Service Level Agreement with Auckland East City Elim Trust for the provision of property management services, school property cleaning services and accounting service. Amounts paid during the year amounted to \$117,353 (2020: \$91,000) for property management services, \$284,641 (2020: \$161,287) for property cleaning services and \$67,600 (2020: Nil.) for accounting services. In addition Auckland East City Elim Trust charged for the reimbursement of property maintenance work undertaken on behalf of the school.

20. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
Board Members		
Remuneration	3,035	6,065
Full-time equivalent members	0.30	0.35
Leadership Team		
Remuneration	1,390,365	1,236,952
Full-time equivalent members	12.00	11.00
Total key management personnel remuneration	1,393,400	1,243,017
Total full-time equivalent personnel	12.30	11.35

There are 13 members of the Board excluding the Principal. The Board had held 9 full meetings of the Board in the year. The Board also has Finance (1 member) and Property (4 members) that meet monthly and quarterly respectively. 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:

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	180 - 190	190 - 200
Benefits and Other Emoluments	5 - 10	10 - 20
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
100 - 110	5.00	5.00
110 - 120	2.00	2.00
120 - 130	1.00	1
130 - 140	1.00	-
	9.00	8.00

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

21. 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:

	2021 Actual	2020 Actual
Total	\$77,000	-
Number of People	3	-

22. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021 (Contingent liabilities and assets at 31 December 2020: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of 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 2021, a contingent liability for the school may exist.

23. Commitments

(a) Capital Commitments

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

Commitments amounting to \$21,327 for the purchase of furniture at Botany Campus Office.
This is funded from School reserves & MOE capital contribution.

(Capital commitments at 31 December 2020: \$54,438)

(b) Operating Commitments

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

- (a) Fuji Xerox - Managed copier service agreement expired, under negotiation
- (b) Norrcom - ICT - 30 days notice
- (c) Elim Property Hub - Management Contract pa
- (d) Elim Property Hub - Cleaning Contract pa
- (e) Elim Finance Hub - Accounting Services
- (f) Vistab - Visitor Management System - 30 days notice
- (g) CES - Payroll Administration - 31/03/22 then 30 days notice
- (g) Eftpos - MAC - 30 days notice

	2021 Actual \$	2020 Actual \$
No later than One Year	508,757	313,135
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>508,757</u>	<u>313,135</u>

24. 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: Loans and receivables)

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Cash and Cash Equivalents	476,750	1,009,622	1,149,511
Receivables	656,396	566,375	615,966
Investments - Term Deposits	400,000	800,000	1,000,000
Total Loans and Receivables	<u>1,533,146</u>	<u>2,375,997</u>	<u>2,765,477</u>

Financial liabilities measured at amortised cost

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Payables	887,110	744,600	862,665
Finance Leases	47,941	79,366	54,297
Total Financial Liabilities Measured at Amortised Cost	<u>935,051</u>	<u>823,966</u>	<u>916,962</u>

25. Events After Balance Date

The Ministry of Education has approved the establishment and integration of the Mt Albert Campus as a separate state-integrated school, to be named Elim Christian College (Mt Albert). The effective date of integration is 1 March 2023 and the Minister has advised that the new school can commence instruction from the beginning of Term 1, 2024.

Overall, the financial impact for Elim Christian College is anticipated to be positive. The Board of Trustees will continue to assess the impact of this event on the financial position and performance of the college and will report any significant changes in future financial reports.

26. COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Reduction in locally raised funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

Increased Remote learning additional costs

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

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.