

31/05/2022

The Presiding Member of the Board  
Lake Tekapo School  
Aorangi Crescent  
Lake Tekapo 7999

Dear Presiding Member,

**RE: AUDIT OF 31 DECEMBER 2021 FINANCIAL STATEMENTS**

Please find enclosed your Financial Statements for the year ended 31 December 2021, together with an unqualified audit report.

You will need to send an electronic copy the Audited Annual Report to the Ministry of Education via the education portal.

***Auditors Responsibilities***

The Auditor-General is required to audit the Financial Statements presented by the Board of Trustees; to express an independent opinion on the Financial Statements, and to report that opinion to you. This responsibility arises from the Education Act 1989, and Section 15 of the Public Audit Act 2001. We have been appointed by the Auditor-General to undertake the Audit.

We conducted our audit in accordance with generally accepted auditing standards, including the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

In forming the audit opinion we conduct detailed tests of selected transactions and review the key controls in place to ensure the effective operation of the accounting systems and internal controls. As a service to ensure you receive maximum benefit from the audit we note our evaluation of your systems and highlight areas of possible weakness or where we believe improvements can be made. Our motive is to offer objective and constructive advice so that the accounting function and related control issues can be improved in the future.

**Required communications**

We are required by assurance standards to report specific matters to you as follows:

- We had no disagreements with management during our audit nor any serious difficulties in dealing with management.
- We have not identified any instances of fraud involving senior management, or any other frauds that caused a material misstatement of the financial statements
- We have not noted any significant risks or exposures that are required to be separately disclosed in the financial statements.
- We reaffirm we are independent of your Board of Trustees, and that we have no relationship with your school that impairs our independence.

There are some matters arising and observations from the audit which we now bring to your attention.

## **Areas of Significant Audit Focus**

We believe it is best practice to communicate with you as the governing body regarding matters which form an important part of our audit process. However, ultimately it is you, the governing body that remains responsible for your financial systems, internal controls and financial statements.

While the audit necessarily involves testing of your overall system of financial controls and reporting, we assessed some potentially significant risk areas in relation to your school. Accordingly we believe that they are important issues that should be of interest to you in your governance capacity.

In the case of your school the following are the areas and issues in the current year that we assessed as significant risk areas:

- Risk of limited segregation of duties

We are pleased to advise that the audit testing of these assessed risk areas did not identify any significant issues or concerns other than the observations detailed below.

## **Audit adjustments**

Management believes that there are no unadjusted differences to the financial statements as a whole, we agree with this position.

## **Accounting systems and controls**

### **Segregation of Duties**

It is important that no single person has control over, or access to, all aspects of recording and control of school funds. Not only does this provide opportunity for abuse of the school funds, but also puts a great responsibility and burden of trust on the person who has this control.

The separation of key accounting responsibilities is a critical internal control in any system to prevent misappropriation of funds, error, or unrecorded transactions.

We note that significant portions of the day-to-day accounting functions are solely under control of your administrator. We wish to point out that nothing in our review of your systems has led us in any way to question the integrity of this or any other employee.

We appreciate that it may be difficult to segregate the admin officer's duties but with careful monitoring and oversight by management and the Board this risk can be mitigated. Where possible, one option is to have members of the team periodically rotate duties. As a minimum, it is important to have someone else on your team able to perform these tasks and doing so occasionally, such as when the key person takes leave.

### **Journals Policy**

In accordance with best practice, we recommend that a policy is drafted which documents the authorization and documentation requirements for journal entries into the accounting system. This policy should clarify the approval process, and require underlying supporting documentation to be retained for journals posted in the accounting system. We would expect journals entries to be subject to an independent review.

### **Approval of Enrolment Forms**

We note that the student enrolment form sighted was not approved by the principal. We would like to remind you to ensure that student enrolments forms have appropriate approvals documented.

### **Deficit Budget**

The Board has prepared and approved a deficit budget for the coming year.

We are concerned that continued deficit budgeting, if achieved, will reduce your school's equity. Although deficit budgeting may appear to be warranted when preparing the budget for a particular year, we urge caution in using this approach because it is unlikely to be sustainable.

It is vital that you continue to look for ways to improve the actual results against the budgeted deficit during the upcoming school year and ensure that spending does not exceed the amounts approved by the Board. We recommend that the Board try to avoid deficit budgeting wherever possible, so the school budgets reflect the ability for it to live within its means.

### **Budgeting for Teacher's Salaries, Land and Buildings Grant and Balance Sheet Items**

We noted that the teachers' salaries income and expense, Ministry of Education land and buildings grant and Balance Sheet Items are not included in your school's annual budget.

It is important that the annual budget captures all income and expenditure items, measured on an accrual's basis, so that the budget is consistent and comparable with the annual financial statements, and so robust monthly monitoring against budget can occur.

Accordingly, we recommend that these items be included when the annual budgets are prepared, based on the best estimate available.

### **Cyclical Maintenance Provision**

We would like to take this opportunity to remind the Board to review cyclical maintenance in future periods. A conditional assessment for maintenance should be carried out when a new 10-year property plan is issued to support a cyclical maintenance provision where necessary. As the school is newly built, we would now expect a provision for cyclical maintenance to be recognized going forward.

### **School Payroll Controls**

We consider the main risk to the accuracy of payroll payments is transactions being incorrectly processed, because of either fraud or error. The EdPay system relies on schools checking the accuracy of the payroll transactions processed by the school, as this information is not checked centrally.

To ensure the accuracy of payroll payments, our expectation has been that schools had the following key controls:

- effective access controls to EdPay, limiting access to "authorised users";
- changes to Masterfile data – such as bank account changes, new starters, or payments to non-salaried staff (such as relievers) - have appropriate supporting documentation and are appropriately authorised;
- checking of the fortnightly draft payroll (SUE) report and Novopay Online transactions report for accuracy; and
- review of the final fortnightly payroll (SUE) report by someone independent of staff who has access to EdPay.

During the year the Novopay Online transaction report was discontinued (in October 2021), and from about mid-2021 had not been a complete record of all transactions.

We do not consider that the review of the SUE report on its own is a strong enough control for schools to rely on to detect fraud or error, because it does not include details of changes to pay, or Masterfile changes. The lack of a complete Masterfile change report could also potentially provide an opportunity for a fraud to go undetected.

### ***Our audit did not place reliance on payroll controls***

Because the Novopay Online transaction report has not been available throughout the year we have been unable to rely on payroll controls as part of our audit work. This has meant we have had to carry out additional audit work on payroll.

### ***Updated guidance on payroll controls is now available***

Updated guidance on the controls within EdPay that should be operating at schools has recently been published on the EdPay website. The main change is that the Novopay Online transaction report has been replaced by several reports. To review and approve pay changes the following transaction histories should be saved, checked, and signed, ideally after transactions have been processed and prior to payment:

- timesheet history
- leave history
- activity history.

To ensure controls are effective schools also need to ensure that:

- there is segregation of duties between the processing and approval of payroll transactions;
- access to EdPay is controlled;
- payroll transactions are approved in line with delegations; and
- approvals are appropriately documented.

The guidance and resources on payroll controls for schools are available on the [training page](#) of the EdPay website.

They consist of:

- A checklist of best practice payroll controls - [School internal processes and controls – payroll](#).
- A video - [How to use EdPay transaction histories \(for checking and approving transactions\)](#).
- A printable 'how to' guide showing the transaction checking process - [Checking transactions using the activity history and timesheet and leave histories](#).

### ***No current report in EdPay to check and approve Masterfile changes***

The online activity history for Masterfile changes, such as bank account and other changes to personal details within EdPay is still in development. The updated payroll guidance (referred to above) does suggest some interim procedures, consisting of taking screen shots of changes and having those approved. However, as this will not provide a list of all changes made, the Board needs to consider how it gets comfort that all changes are made with appropriate authorisation. Without a list of all Masterfile changes that can be approved by a second person (as segregation of duties is required for an effective control), this remains an area susceptible to fraud.

### ***Recommendation***

We recommend that the Board ask management for assurance that appropriate controls are in place at the school over payroll transactions, consistent with the updated guidance.

All the points made in this report have been discussed with the school and we have taken account of their comments in drafting the report. These points arose during the course of our audit which is designed primarily to enable us to form an opinion on the financial statements taken as a whole. Our report cannot, therefore, be expected to include all possible comments and recommendations which a more extensive special examination might indicate.

Yours faithfully

**Nexia Audit Christchurch**

Nathan Breckell  
Appointed Auditor



31 May 2022

Nathan Breckell  
Audit Partner  
Nexia Audit Christchurch  
Level 4, 123 Victoria Street  
Christchurch

### REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2021

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of Lake Tekapo School (the School) for the year ended 31 December 2021 for the purpose of expressing an independent opinion about whether the financial statements:

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

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

#### General representations

To the best of our knowledge and belief:

- the resources and activities under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is, we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud or error, and which enables the preparation of the financial statements that are free from material misstatement whether due to fraud or error (*a requirement of paragraph NZ40.1(a) in ISA (NZ) 240*).

We also confirm, to the best of our knowledge and belief, that we have maintained appropriate separation between our functions and governance structures, and those of the School's proprietor, in keeping with the principles of the Education and Training Act 2020.

#### Representations for the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 87 of the Education Act 1989 and, in particular, that the financial statements:
  - present fairly, in all material respects:
    - the financial position as at 31 December 2021; and
    - the financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with the Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

- we believe the methods, significant assumptions, and data used in making and supporting the accounting estimates and the related disclosures in the financial statements are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter;
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with the Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

### **Representations about the provision of information**

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
  - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements; and
  - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with the financial statements, and the other information does not contain any material misstatements.<sup>1</sup>

### **Going concern basis of accounting<sup>2</sup>**

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2021. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from 31 May 2022, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, that we can reasonably be expected to be aware of concerning the adoption of the going concern basis of accounting by the School.

Throughout the year, the School has conformed with the requirements of its banking arrangements, debenture trust deeds, or negative pledge agreements, including those relating to its net tangible assets ratios.

### **Publication of the financial statements and related audit report on a website**

- We confirm that we are responsible for the electronic presentation of the audited financial statements, and:
- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.

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- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully

*Ili*

Presiding Member

Principal

*[Handwritten signature]*



# LAKE TEKAPO SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

**Ministry Number:** 3406

**Principal:** Simon Waymouth

**School Address:** Aorangi Crescent, Lake Tekapo

**Email:** [office@tekapo.school.nz](mailto:office@tekapo.school.nz)

**School Phone:** 03 6806816

**Accountant / Service Provider:**

89 Nazareth Avenue  
Christchurch  
Ph: 03 338 4444



# LAKE TEKAPO SCHOOL

Annual Report - For the year ended 31 December 2021

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# Lake Tekapo School

## Members of the Board of Trustees

For the year ended 31 December 2021

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expires</b>
Isaac Wilson	Chair Person	Co-opted May 2019	May 2022
Simon Waymouth	Principal		
Simon Tocker	Parent Rep	Elected May 2019	May 2022
Amanda Simpson	Parent Rep	Elected March 2021	May 2022
Bridget Story	Parent Rep	Elected March 2021	May 2022
Phil Robinson	Parent Rep	Elected May 2019	March 2021
Emily Murray	Parent Rep	Re Elected May 2019	March 2021

# Lake Tekapo School

## 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.

Isaac Wilson

Full Name of Board Chairperson

*[Signature]*

Signature of Board Chairperson

9/6/22

Date:

Simon Waymouth

Full Name of Principal

*[Signature]*

Signature of Principal

9/6/22

Date:

# Lake Tekapo School

## 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	591,998	588,071	521,887
Locally Raised Funds	3	47,841	43,700	108,347
Interest income		1,607	2,500	5,013
		<hr/>	<hr/>	<hr/>
		641,446	634,271	635,247
<b>Expenses</b>				
Locally Raised Funds	3	30,685	24,700	11,813
Learning Resources	4	333,864	333,861	310,027
Administration	5	59,923	52,790	53,485
Property	6	223,183	222,650	150,766
Depreciation	7	24,310	20,000	26,866
		<hr/>	<hr/>	<hr/>
		671,965	654,001	552,957
<b>Net Surplus / (Deficit) for the year</b>		(30,519)	(19,730)	82,290
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(30,519)	(19,730)	82,290

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

# Lake Tekapo School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	Actual 2021 \$	Budget (Unaudited) 2021 \$	Actual 2020 \$
<b>Balance at 1 January</b>		625,206	625,206	488,478
Total comprehensive revenue and expense for the year		(30,519)	(19,730)	82,290
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		1,295	-	54,438
<b>Equity at 31 December</b>	21	595,982	605,476	625,206
Retained Earnings		595,982	605,476	625,206
Reserves		-	-	-
<b>Equity at 31 December</b>		595,982	605,476	625,206

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.

# Lake Tekapo School

## 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	51,872	66,089	51,014
Accounts Receivable	9	66,408	39,545	23,072
GST Receivable		1,302	-	17,082
Prepayments		7,672	8,000	8,322
Investments	10	136,748	200,000	266,357
		<u>264,002</u>	<u>313,634</u>	<u>365,847</u>
<b>Current Liabilities</b>				
Accounts Payable	12	51,626	50,745	94,492
Finance Lease Liability - Current Portion	14	1,915	1,915	6,128
Funds held on behalf of COL cluster	15	-	-	2,017
Funds held for Capital Works Projects	16	3,913	-	-
		<u>57,454</u>	<u>52,660</u>	<u>102,637</u>
<b>Working Capital Surplus/(Deficit)</b>		206,548	260,974	263,210
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	394,426	349,494	369,494
		<u>394,426</u>	<u>349,494</u>	<u>369,494</u>
<b>Non-current Liabilities</b>				
Finance Lease Liability	14	4,992	4,992	7,498
		<u>4,992</u>	<u>4,992</u>	<u>7,498</u>
<b>Net Assets</b>		<u>595,982</u>	<u>605,476</u>	<u>625,206</u>
<b>Equity</b>	21	<u>595,982</u>	<u>605,476</u>	<u>625,206</u>

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

# Lake Tekapo School

## Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		98,867	94,941	120,020
Locally Raised Funds		20,698	43,700	108,347
Goods and Services Tax (net)		15,780	17,082	(21,872)
Funds Administered on Behalf of Third Parties		(2,017)	(2,017)	2,017
Payments to Employees		(68,983)	(68,045)	(54,264)
Payments to Suppliers		(144,369)	(132,362)	(10,712)
Cyclical Maintenance Payments in the year		-	(500)	-
Interest Received		2,025	2,638	5,616
Net cash from/(to) Operating Activities		(77,999)	(44,563)	149,152
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(49,241)	-	(104,521)
Purchase of Investments		129,609	66,357	(30,764)
Net cash from/(to) Investing Activities		80,368	66,357	(135,285)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		1,295	-	54,438
Finance Lease Payments		(6,719)	(6,719)	(6,411)
Funds Held for Capital Works Projects		3,913	-	(50,000)
Net cash from/(to) Financing Activities		(1,511)	(6,719)	(1,973)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>858</b>	<b>15,075</b>	<b>11,894</b>
Cash and cash equivalents at the beginning of the year	8	51,014	51,014	39,120
<b>Cash and cash equivalents at the end of the year</b>	8	<b>51,872</b>	<b>66,089</b>	<b>51,014</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.



# Lake Tekapo School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Lake Tekapo 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 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 Public Finance Act 1989.

###### *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 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 11.

#### **Critical Judgements in applying accounting policies**

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

#### *Classification of leases*

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

#### *Recognition of grants*

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

### **c) Revenue Recognition**

#### **Government Grants**

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

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

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

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. 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.

#### **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) Use of Land and Buildings Expense**

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of 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 expense that is offset by a non-cash grant from the Ministry.

### **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) 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	40 years
Furniture and equipment	10 years
Information and communication technology	5 years
Music Equipment	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	10 years

#### **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 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.

##### *Long-term employee entitlements*

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

#### **m) 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.

#### **n) 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.

#### **o) 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.

**p) Budget Figures**

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

**q) 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	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	99,251	90,000	90,598
Teachers' Salaries Grants	298,161	298,161	286,238
Use of Land and Buildings Grants	193,050	193,050	116,355
Other Government Grants	1,536	6,860	28,696
	<u>591,998</u>	<u>588,071</u>	<u>521,887</u>

## 3. Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	11,501	4,600	6,470
Activities	25,153	9,000	91,034
Trading	921	1,000	519
Fundraising	1,166	20,000	1,224
Other Revenue	9,100	9,100	9,100
	<u>47,841</u>	<u>43,700</u>	<u>108,347</u>
<b>Expenses</b>			
Activities	15,615	11,200	5,105
Trading	933	-	-
Other Locally Raised Funds Expenditure	14,137	13,500	6,708
	<u>30,685</u>	<u>24,700</u>	<u>11,813</u>
	<u>17,156</u>	<u>19,000</u>	<u>96,534</u>

*Surplus/ (Deficit) for the year Locally raised funds*

## 4. Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	4,099	8,200	6,758
Employee Benefits - Salaries	327,867	323,161	302,264
Staff Development	1,898	2,500	1,005
	<u>333,864</u>	<u>333,861</u>	<u>310,027</u>

## 5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	5,640	3,200	5,228
Board of Trustees Fees	3,995	2,000	3,355
Board of Trustees Expenses	1,720	2,100	2,189
Communication	2,357	2,100	1,845
Consumables	2,903	3,000	2,676
Other	13,029	11,650	9,712
Employee Benefits - Salaries	26,216	25,240	25,284
Insurance	4,063	3,500	3,196
Service Providers, Contractors and Consultancy	-	-	-
	<u>59,923</u>	<u>52,790</u>	<u>53,485</u>

## 6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	640	1,000	615
Cyclical Maintenance Provision	-	500	-
Grounds	6,158	2,500	8,055
Heat, Light and Water	5,949	2,000	5,834
Rates	490	600	737
Repairs and Maintenance	4,140	5,500	4,295
Use of Land and Buildings	193,050	193,050	116,355
Employee Benefits - Salaries	12,756	17,500	14,875
	<u>223,183</u>	<u>222,650</u>	<u>150,766</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. Depreciation

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Building Improvements - Crown	9,319	9,000	11,591
Furniture and Equipment	5,995	4,000	4,159
Information and Communication Technology	2,115	2,000	4,295
Leased Assets	6,703	5,000	6,572
Library Resources	178	-	249
	<u>24,310</u>	<u>20,000</u>	<u>26,866</u>

## 8. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	117	117	117
Bank Current Account	51,755	65,972	50,897
Cash and cash equivalents for Statement of Cash Flows	<u>51,872</u>	<u>66,089</u>	<u>51,014</u>

## 9. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	27,143	-	-
Interest Receivable	520	800	938
Teacher Salaries Grant Receivable	38,745	38,745	22,134
	<u>66,408</u>	<u>39,545</u>	<u>23,072</u>
Receivables from Exchange Transactions	27,663	800	938
Receivables from Non-Exchange Transactions	38,745	38,745	22,134
	<u>66,408</u>	<u>39,545</u>	<u>23,072</u>

## 10. Investments

The School's investment activities are classified as follows:

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	136,748	200,000	266,357
Total Investments	<u>136,748</u>	<u>200,000</u>	<u>266,357</u>



## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Building Improvements - Crown	322,808	17,629	-	-	(9,319)	331,118
Furniture and Equipment	28,731	30,687	-	-	(5,995)	53,423
Information and Communication Technology	4,222	794	-	-	(2,115)	2,901
Leased Assets	13,338	-	-	-	(6,703)	6,635
Library Resources	395	132	-	-	(178)	349
<b>Balance at 31 December 2021</b>	<b>369,494</b>	<b>49,242</b>	<b>-</b>	<b>-</b>	<b>(24,310)</b>	<b>394,426</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2021	\$	\$	\$
Building Improvements - Crown	381,996	(50,878)	331,118
Furniture and Equipment	153,136	(99,713)	53,423
Information and Communication Technology	86,359	(83,458)	2,901
Leased Assets	33,762	(27,127)	6,635
Library Resources	17,985	(17,636)	349
<b>Balance at 31 December 2021</b>	<b>673,238</b>	<b>(278,812)</b>	<b>394,426</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements - Crown	241,573	92,826	-	-	(11,591)	322,808
Furniture and Equipment	23,102	9,788	-	-	(4,159)	28,731
Information and Communication Technology	6,611	1,906	-	-	(4,295)	4,222
Leased Assets	13,866	6,044	-	-	(6,572)	13,338
Library Resources	644	-	-	-	(249)	395
<b>Balance at 31 December 2020</b>	<b>285,796</b>	<b>110,564</b>	<b>-</b>	<b>-</b>	<b>(26,866)</b>	<b>369,494</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements - Crown	364,367	(41,559)	322,808
Furniture and Equipment	122,450	(93,719)	28,731
Information and Communication Technology	85,565	(81,343)	4,222
Leased Assets	33,762	(20,424)	13,338
Library Resources	17,853	(17,458)	395
<b>Balance at 31 December 2020</b>	<b>623,997</b>	<b>(254,503)</b>	<b>369,494</b>

## 12. Accounts Payable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	5,790	5,000	61,619
Accruals	7,091	7,000	8,515
Banking Staffing Overuse	-	-	1,920
Employee Entitlements - Salaries	38,745	38,745	22,134
Employee Entitlements - Leave Accrual	-	-	304
	<u>51,626</u>	<u>50,745</u>	<u>94,492</u>
Payables for Exchange Transactions	51,626	50,745	94,492
	<u>51,626</u>	<u>50,745</u>	<u>94,492</u>

The carrying value of payables approximates their fair value.

## 13. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Increase/ (decrease) to the Provision During the Year	-	500	-
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	-	500	-

## 14. Finance Lease Liability

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	1,915	1,915	6,128
Later than One Year and no Later than Five Years	4,992	4,992	7,498
	<u>6,907</u>	<u>6,907</u>	<u>13,626</u>

## 15. Funds Held on Behalf of the Community of Learning Cluster

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Funds Held at the Beginning of the Year	2,017	-	-
Funds Received during the year	-	-	4,378
Funds Passed on to new fund holder	(2,017)	-	(2,361)
Funds Held at year end	<u>-</u>	<u>-</u>	<u>2,017</u>

Lake Tekapo up until July 2020 was the lead school and held the funds on behalf of the Community of Learning Cluster, a group of schools funded by the Ministry of Education.

## 16. 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 \$	BOT Contributions \$	Closing Balances \$
Library shelving	<i>in progress</i>	-	10,870	6,957	-	3,913
Sports Field	<i>completed</i>	-	88,192	92,536	(4,344)	-
Totals		<u>-</u>	<u>99,062</u>	<u>99,493</u>	<u>(4,344)</u>	<u>3,913</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	3,913
Funds Due from the Ministry of Education	-
	<u>3,913</u>

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Library shelving	<i>completed</i>	50,000	-	50,000	-	-
Sports Field	<i>completed</i>	-	39,130	39,130	-	-
Block 1 Classroom Upgrade	<i>completed</i>	-	900	900	-	-
Sports Field	<i>completed</i>	-	178	178	-	-
Totals		<u>50,000</u>	<u>40,208</u>	<u>90,208</u>	<u>-</u>	<u>-</u>

## 17. 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 Principal occupies the school house.

## 18. 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 \$
<i>Board Members</i>		
Remuneration	3,995	3,355
Full-time equivalent members	0.10	0.10
<i>Leadership Team</i>		
Remuneration	145,895	127,583
Full-time equivalent members	1	1
	<hr/>	<hr/>
Total key management personnel remuneration	149,890	130,938
Total full-time equivalent personnel	<u>1.10</u>	<u>1.10</u>

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

### 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:	110-120	120-130
Salary and Other Payments	3-4	3-4
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

### Principal 2

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:	30-40	-
Salary and Other Payments	0-1	-
Benefits and Other Emoluments	-	-
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
110-120	1.00	0.00
	<hr/>	<hr/>
	<u>1.00</u>	<u>0.00</u>

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

## 19. 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. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. 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.

## 20. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has entered into no contract agreements for capital works .

(Capital commitments at 31 December 2020: nil)

### (b) Operating Commitments

As at 31 December 2021 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2020: nil)

## 21. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

## 22. 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	51,872	66,089	51,014
Receivables	66,408	39,545	23,072
Investments - Term Deposits	136,748	200,000	266,357
Total Financial assets measured at amortised cost	<u>255,028</u>	<u>305,634</u>	<u>340,443</u>

### Financial liabilities measured at amortised cost

Payables	51,626	50,745	94,492
Finance Leases	6,907	6,907	13,626
Total Financial Liabilities Measured at Amortised Cost	<u>58,533</u>	<u>57,652</u>	<u>108,118</u>

## 23. Events After Balance Date

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

## 24. 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 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.