Lindisfarne College

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

LINDISFARNE COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 230

Rector Mr Stuart Hakeney

School Address: 600 Pakowhai Road, Hastings

School Postal Address: PO Box 2341, Hastings 4153

School Phone: 06 873 1136

School Email: reception@lindisfarne.school.nz

Members of the Board

Name	Position	How Position G	Term Expired/ Expires
Mrs Gretchen Stone	Presiding Member/Chairperson	Elected	2022
Mr Stuart Hakeney	Principal ex Officio		
Mrs Joanne Dowley	Parent Rep	Elected	2023
Mr Karl Goodchild	Parent Rep	Elected	2023
Mr Mike Knobloch	Parent Rep	Elected	2022
Dr Tony Diprose	Parent Rep	Elected	2022
Dr John Wakeman	Proprietors Rep	Proprietor	2022
Mr Jim Syme	Proprietors Rep	Proprietor	2022
Mrs Jill McDonald	Proprietors Rep	Proprietor	2022
Mrs Sharon Wards	Proprietors Rep	Proprietor	2022
Mr George Rogers	Staff Rep	Elected	2022
Mr Kings Tupuola	Student Rep	Elected	2021
Mr Sam Bartram	Student Rep	Elected	2022

Secretary/Accountant Mr Barry Law

LINDISFARNE COLLEGE

Annual Report - For the year ended 31 December 2021

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Kei aku whaka-tamarahi ki te rangi
Kei aku whaka-teitei ki te whenua
Nau mai ki tēnei kaupapa whaka hirahira
Tēnā koutou, tēnā tātau katoa.

Today we come together as a senior school for the last time this year to celebrate the achievements of our scholars, sportsmen, cultural artists and those who have given service to our school from within the student body. Importantly, we pay tribute to and farewell our Lindisfarne graduates of 2021.

I'd also like to add my welcome to our distinguished guests. To Mrs Sharon Wards, Chair of the College council and Mrs Gretchen Stone, Board of Trustees Chair along with other members of the College Council who join us today. I welcome head prefect Zac Maulder who today performs his last official duty in his leadership role, before later on in our prizegiving passing the mantle on to next year's Head Boy.

I welcome our staff and students who have worked together in 2021 to achieve so much in the classroom and indeed in all our college cornerstones. And I welcome parents, caregivers and whanau members who have joined us remotely via our live streaming and recording of this event. I am genuinely sorry that you cannot join us in person. In particular those Year 13 caregivers who are seeing their sons graduate from secondary school before moving on to the next exciting chapter of their lives.

This time last year I said in the introduction to my speech that "It is undoubtedly a prizegiving with a difference." I remember finishing my speech by reflecting optimistically about the fact that Covid-19 vaccines were just starting to be rolled out in the UK in record time and in 2021 we'd be fighting back against the pandemic and hopefully returning to some kind of normality later in the year. I certainly never thought it would be another year with so much uncertainty. But uncertain it has been and I want to commend our boys, our staff and our families for the way they dealt with the changes that occurred at such a critical time of the year.

Let's also take a moment to think about what an anxious time it has been for those in Auckland, Northland and Waikato through this second half of the year. Many senior students were only allowed to return to school for about four weeks before their NCEA study leave began, so let's hope that they can still achieve all they need to in order to fulfil their aspirations for 2021. It is a time to show empathy and so when you pray for your own ambitions to be realised, pray for them too.

2021 has been a fantastic year full of wonderful and special memories. For me it's been particularly special as I've experienced many of these Lindisfarne events for the first time.

In Term 1 I attended my first Gala. I was astounded by the commitment of our parents, friends, teachers and students throughout the day. Everyone doing their bit to raise funds for the school and having a whole lot of fun along the way. A highlight was the vast array of stalls set up by all the Tutor Groups, which made a big impact on the record breaking amount that was raised on the day. And Mr Kidd's gesture when he won the supermarket trolley full of groceries later in the day – he gave the whole lot away to others who he thought needed it more than he did. But it was the way the parents jumped in and worked so hard all day that blew me away. I think I got my first taste of what people mean when they talk about the Lindisfarne family.

Term 1 was also the Production of Fame, The Musical. I was so looking forward to it and I wasn't disappointed! This incredible show allowed the students to demonstrate their talents in acting, singing and dancing. One thing I hope we never lose at the College, is how boys who are passionate and serious about their sport, are then prepared to step outside of their comfort zone and throw themselves into the cultural cornerstone with just as much energy. We talk about students committing to all cornerstones at Lindisfarne, but when you see in action it's quite brilliant.

In terms of the Cultural Cornerstone, House Singing was great way to end Term 2, with Hugh Kilsby's dancing Panda Bear the unexpected star of the show, but again, it was the way you boys led the event and encouraged others to get involved that made it so memorable. The way you all cheered and encouraged Year 10 student Edward Harvey on lead vocals for his junior band made me proud of him *and* you all. Quinn Le Lievre being named Hawke's Bay's Young Musician of the Year after his performance at the Blythe Theatre was another one of those special Lindisfarne moments of 2021.

I was pleased for students that they were able to enjoy the vast majority of their sporting season this year. And there were many highlights, including the dominant display in the Rathkeale Exchanges, summer and winter, along with many weekends of outstanding results. It's not every day we see College records broken, and Sam Cassidy's 236 not out for the 1st XI Cricket team against Whanganui Collegiate could well stand for a while. Last week's Sporting Colours assembly summed up just what an incredible year we've had in so many areas.

The highlight of the Academic Cornerstone was the way the students applied themselves in the delayed benchmark examinations. Teachers reported that our senior boys had listened to the advice we had provided about the importance of these exams and for the most part, boys, you fronted, and this showed true grit and determination. I know you will all keep this going in the NCEA examinations that start on Monday.

The Christian Cornerstone took a big hit in the second half of the year, due to the cancellation of many chapels. But I thank Reverend Dunnett and Chapel Prefect Maclan Wright for their flexibility and ingenuity in finding creative ways to maintain this commitment to our special character as a Christian school.

I do want to acknowledge our International students today. The leavers were honoured in a small farewell ceremony last week when they were presented with personal gifts in the form of Maori taonga that symbolises their character, achievements and potential. One characteristic they have all shown is resilience. We lose a few more Yr 13 International students this year as they graduate, and in 2022 eight international students will remain. I am in awe of the boys who will have spent two years away from their families this summer in order to pursue their education in New Zealand and I know that all your friends here at Lindisfarne are so proud of you too. You exemplify our character value of courage and we salute you for it.

To our leavers of 2021. I hope that as you sit here today contemplating the end of your journey at Lindisfarne and indeed of your secondary schooling, you do so with a genuine sense of pride. I hope the vision that Lindisfarne has established for its students resonates with you. That vision is for the young men of Lindisfarne to be men of good character who will go on to lead successful and significant lives.

This vision doesn't suggest that the success has to come while you're at school (though for many it does) – its aim is to establish in you those good character traits that will enable you to achieve success in the *future*. I'm saying this to remind you that today provides you with somewhat of a launching pad. You have filled up your kete with all the skills and knowledge you'll need – and now you can go out there and live an extraordinary life as a good man.

I think it's worth reflecting on what this notion of a good man is, so that you can think of it as you look back on your years at the College and as you move onto the next stage of your life.
Joe Ehrman, in his TED talk which he delivered in the US city of Baltimore a number of years ago, argued that we need to redefine what it means to "be a man". He asserted that traditional definitions of a real man are bound up in such things as athletic ability and the degree to which you can make lots of money. But he argued that we need to rethink our measuring stick, and to look for other ways to measure success for men. Ehrman identified two such measures: the ability to build and nurture positive relationships from the heart and the ability to serve others and to give back.

Don't get me wrong, I admire our sports stars and I'll be the first to celebrate their success and ability, just as we must celebrate talent and performance in the academic and cultural cornerstones, but we should widen our definition of success for young males. Building up their ability to build strong relationships and encouraging our young men to give service to others is a great place to start.

So I ask our Year 13 Leavers today to reflect on whether we've made a difference for you in these two areas. If you've been here since Yr 9, you've probably attended about 500 assemblies and chapels. Those who started in Year 7 close to 700. You've listened to us talk about our 6 character values and you've heard many sermons that have provided you with inspirational words from the Christian cornerstone.

You've also had numerous conversations over the years with staff that have hopefully challenged you and encouraged you to learn and grow your character. Reflect on all of these experiences and think about whether you have learned to form healthy relationships that build others up and make their lives better.

And think about whether you have learned to give service to others with no expectation of reward or payment. Have you "given back" in small or big ways? If not, are you ready to do that from this point forward? Remember, our goal is to equip you with the skills and knowledge to lead a successful and significance life, so as you leave us today, go out into the world and use what you

have learned at Lindisfarne and through the love, care and guidance your caregivers, whanau and friends have shown you, and be a good man. A man who connects with others and lifts them up, and a man who is passionate about serving others. This is all we can hope for you and we all wish you well.

Today, as each of you walks across the stage and we learn where you are heading off to next year, you will be presented with three mementos: a certificate of graduation, which is our ways of saying "You did it!". A special bible that is being gifted to you by our wonderful parents and friends association to symbolise the Christian dimension that has been an integral part of your Lindisfarne education, and that offers you hope, comfort and guidance in your future. And you will be presented with an old boys tie by the President of our Old Boys Association, Mr Knobloch. You now join a very proud band of former students and we hope that you will return as old boys and stay connected to your former College.

I now turn to some thank yous. I thank my Executive team for their support this year: Business Manager Mr Law, Assistant Rectors Mr Barry and Mr Rogers and Deputy Rector Mr Howlett. I have been blessed by your advice, hard work and commitment. And to my PA, Mrs Barker, who keeps me organised when things go a little bit crazy from time to time!

To Mrs Wards, Chair of the College Council and Mrs Stone Chair of our Board of Trustees, a huge thank you for your support of me in my first full year as Rector. I think we make a great team along with our other College Council members and we have to be a great team if we are going to do right by these fine young men who sit before us today. Your knowledge, wisdom and sound counsel have been priceless to me this year. I'd now like to ask Head Prefect Zac Maulder to make a little presentation to you both for all you support.

I thank all members of our staff for your incredible commitment to the College. Your dedication in all cornerstones is what gives our boys the incredible opportunities they have, and I know they appreciate it immensely. So thank you all.

Zac, you have been a fantastic head prefect. You have led a great team with your outstanding wing men Deputy Head Prefect Finley Duncan and Head of Boarding Felix Paul. We know your parents can't be sitting with you on stage today, Zac, but they will be immensely proud of what you've achieved throughout your years at the College. You've been authentic in your leadership style and you've been a genuinely good man.

So in closing, congratulation to all today's prize-winners and graduates, and I wish you all the greatest success in your upcoming NCEA examinations. Once those exams are over, I hope you and your families enjoy a restful summer break and a joyous Christmas and new year.
Thank you

Analysis of Variance 2021-22

2021 Student Achievement Target

Area: Academic **Strategic Target**: 100% Level Two NCEA pass rate in Year 12		
Base Data: The Level 2 NCEA pass rate in 2020 was 95.2% While national rates (80%) and Decile 9 Rates (85%) were lower, we felt there were boys who should have gained their L2 Certificate with additional support and monitoring. This rate was **2021 Target** 100% Level 2 NCEA pass rate in Year 12	**Result** 97.3 % in Yr 12 attained the NCEA L2 Certificate (up 2.1%) while at the same time national rates (77.4%) and Decile 9 Rates (83.8%) declined.	**Analysis** While the reported result is 97.3%, it must be understood that only two students in Yr 12 did not attain their NCEA L2 Certificate in 2021. Both students left the school for work placements at the end of Term 3 of 2021 and hence did not sit any remaining T4 internal assessments or any of the external assessments in the NCEA examination periods. It could be argued that these two students were not really part of the cohort for the full year. The following strategies contributed to a return to this very high level result being achieved: · Close "student by student" monitoring of those students at risk · Emails sent home following low level benchmark examination results · Phone conversations with families returning (subject selection discussions) indicating concerns. · Year Level meetings with the Year 12 student cohort.

Area: Pastoral (Attendance)

Strategic Target: Increase the percentage of students with zero unjustified absences to 20%

Base Data: Attendance at Lindisfarne College is generally very good (in part since we have approx. half the school in boarding). Framing the charter goal initially was quite difficult due to our high attendance. The other variables were Covid-19 impacts, including lockdowns, skewing the overall attendance statistics.

The decision was made to analyse the number of students who had **zero unjustified absences** all year. Students should be in class learning or engaged in other school related activities during the school week. If not, there should be a justified reason from parents, such as a medical absence.

Over three terms in 2020 - 15% of students had zero unjustified absences and we wished to raise this percentage.

2021 Target	Result	Analysis
Increase the percentage of Zero unjustified absences in Terms 1-3 to 20%	Generating this data, from an updated KAMAR programme, has proven very difficult.	As stated, our attendance rates are very high, in part due to half our school being boarders. The goal was to see if we could increase the number of students who had "zero % unjustified'. With the recent upgrade of the KAMAR Student Management System, finding that data proved very difficult. What we did find was that our justified absences remained the same. There was a 2% decrease in 'Intermittent Unjustified Absences (see below for definition).
How?	What we have found:	
1. Deans will receive a daily printout of absences identifying '?/T' (Unexplained/Truant). Deans are to follow up with students and/or tutor teachers. The deans will follow the 'card system' to help support the process.	1. Attendance in 2020 (82%)	
2. Deans/tutor teachers are to make the changes on KAMAR if justified.	Unjustified (4.2%)	In part, the processes that were implemented at the beginning of 2021, had an impact on the 'one-off absences'. It was found that (on review), many of our unjustified absences were due to process issues (eg Itinerant teachers not submitting attendance), as opposed to students truanting from class.
3. GER to provide weekly attendance indicating 'T's'.	Intermittent (8.4%)	

4. GER to provide Termly attendance reports. 5. Itinerant staff/SAP to provide Admin staff a weekly schedule of students who will be out of class with private lessons.	2. Attendance in 2021 (82.7%) Unjustified (5.5%) Intermittent (6.3%) What cannot be determined is whether we have more absences justified or not compared to the previous year.	More importantly, after reviewing the 2021 year, and despite the decrease in intermittent absences, there was a need to further 'tighten' the process. Attendance has now been centred on one person (at the front office). This will enable greater consistency in regard to student absence. It is expected, in 2022, that both Unjustified and Intermittent Unjustified Absences will further reduce. **Note:** **Justified**: The student is absent two hours or more in any one day with a 'Justified' Truancy code. **Unjustified**: The student is absent two hours or more in any one day with an 'Unjustified' Truancy code or a mixture of Unjustified and Justified Truancy codes adding up to over two hours. **Intermittent Unjustified** The student is absent at least one hour, but under two hours in any one day with an Unjustified Truancy code.

Area: Staff Wellbeing

Strategic Target: Lindisfarne College provides a physically and emotionally safe environment for all staff

Base Data: Surveys and Voice:

Results from surveys shows we still have areas to focus and maintain.

- Baseline data from 2021 staff wellbeing survey.
    - Work environment, listened to, access to PD, staff health, know where to seek support
- Teacher anecdotal comments: stress, pressure and workload.

Staff environmental considerations, toilets, workspaces, staffroom, catering, physical wellness

2021 Target	Result	Analysis
Lindisfarne College provides a physically and emotionally safe environment for all staff	• Increased connection with HOFs o Look at physical environment o Decision making involvement o Information sharing o PD Opportunities • Established staff wellbeing committee o Increased presence; wellbeing packs in toilets, posters offering support, social events (Quiz and kindness) o Physical wellness, established link with sports park o Financial wellness, established links with local financial adviser o Pink shirt day held – stand up to bullying o Promoted EAP services • Teaching staff wellbeing hour allocated, providing an opportunity to do personal jobs during the day • Restrengthening of the Homestead, up-grade staff facilities – Toilet, staffroom.	There is clearer communication via HOF's that promotes inclusive information sharing. The staff are able to identify issues and solutions to their workspaces and work with their HOF to resolve these issues. Staff are able to apply for PD opportunities via HOF's. There is increased staff connectedness through a variety of social activities, health initiatives, and wellbeing focuses. Through the staff wellbeing hour there is Increased opportunity for staff to complete personal tasks. With the refurbishment of the Homestead, we have been able to develop staff spaces. The staff are more aware of and have access to staff support networks, both internally and externally.

Lindisfarne College

Statement of Responsibility

For the year ended 31 December 2021

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2021 fairly reflects the financial position and operations of the school.

The School's 2021 financial statements are authorised for issue by the Board.

Gretchen Joan Elizabeth Stone
Full Name of Presiding Member

Signature of Presiding Member

20 May 2022
Date:

STUART DAVID HAKENEY
Full Name of Principal

Signature of Principal

20 May 2022
Date:

Report on Special Funding

Kiwisport

Kiwisort is a Government funding initative to support students' participation in organised sport.
In 2021 the College received $11,107 of Kiwisport funding.
This funding was spent on sporting equipment.
The number of students participating in organised sport was 100% of the College roll.

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

	Notes	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Revenue				
Government Grants	2	4,858,759	4,809,380	4,910,994
Locally Raised Funds	3	2,600,840	2,839,000	2,369,718
Use of Proprietor's Land and Buildings		621,800	875,000	994,880
Interest Income		431	500	321
International Students	4	159,566	130,435	181,092
Other Revenue		26,906	28,000	10,918
		8,268,302	8,682,315	8,467,923
Expenses				
International Students	4	270,750	330,000	259,456
Learning Resources	5	6,078,054	6,183,095	5,870,393
Administration	6	437,069	450,700	464,964
Finance		4,542	7,500	(2,540)
Property	7	1,336,099	1,515,500	1,542,518
Depreciation	10	167,134	192,000	171,067
Loss on Disposal of Property, Plant and Equipment		411	3,000	7,842
		8,294,059	8,681,795	8,313,700
Net Surplus / (Deficit) for the year		(25,757)	520	154,223
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(25,757)	520	154,223

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

Lindisfarne College
Statement of Financial Position
As at 31 December 2021

	Notes	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Current Assets				
Cash and Cash Equivalents	8	947,209	725,000	989,626
Accounts Receivable	9	323,377	230,000	291,403
GST Receivable		-	5,000	2,021
Prepayments		7,902	10,000	12,307
		1,278,488	970,000	1,295,357
Current Liabilities				
Accounts Payable	11	651,484	425,994	690,549
Revenue Received in Advance	12	65,217	109,467	117,174
Provision for Cyclical Maintenance	13	94,838	100,000	223,147
Finance Lease Liability	14	22,815	45,000	45,132
		834,354	680,461	1,076,002
Working Capital Surplus/(Deficit)		444,134	289,539	219,355
Non-current Assets				
Property, Plant and Equipment	10	602,821	600,000	586,406
		602,821	600,000	586,406
Non-current Liabilities				
Provision for Cyclical Maintenance	13	383,258	275,000	148,871
Finance Lease Liability	14	27,517	20,000	13,786
		410,775	295,000	162,657
Net Assets		636,180	594,539	643,104
Equity		636,180	594,539	643,104

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

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

	Notes	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Equity at 1 January		643,104	575,019	470,047
Total comprehensive revenue and expense for the year		(25,757)	520	154,223
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		18,833	19,000	18,834
Equity at 31 December		636,180	594,539	643,104

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.

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

	Note	2021 Actual	2021 Budget (Unaudited)	2020 Actual
		$	$	$
Cash flows from Operating Activities				
Government Grants		1,197,670	1,174,399	1,297,204
Locally Raised Funds		3,249,546	2,867,000	3,235,458
Hostel		-	-	
International Students		107,609	100,000	161,744
Goods and Services Tax (net)		2,021	(5,000)	2,067
Payments to Employees		(2,771,194)	(2,652,926)	(2,373,036)
Payments to Suppliers		(1,553,800)	(1,512,099)	(1,915,912)
Cyclical maintenance Payments in the year		(96,445)		(15,727)
Interest Paid		(4,542)	(7,500)	2,540
Interest Received		431	500	321
Net cash from/(to) Operating Activities		131,296	(35,626)	394,659
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(183,960)	(183,000)	(128,647)
Net cash from/(to) Investing Activities		(183,960)	(183,000)	(128,647)
Cash flows from Financing Activities				
Furniture and Equipment Grant		18,833	19,000	18,834
Finance Lease Payments		(8,586)	(65,000)	(30,886)
Net cash from/(to) Financing Activities		10,247	(46,000)	(12,052)
Net increase/(decrease) in cash and cash equivalents		(42,417)	(264,626)	253,960
Cash and cash equivalents at the beginning of the year	8	989,626	989,626	735,666
Cash and cash equivalents at the end of the year	8	947,209	725,000	989,626

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.

Lindisfarne College
Notes to the Financial Statements
For the year ended 31 December 2021

1. Statement of Accounting Policies

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

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

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

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

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

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

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

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

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

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

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

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

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

Classification of leases
Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all

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

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

c) Revenue Recognition

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

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

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

The property from which the School operates is owned by the Proprietor. Donations for the use of land and buildings are received in cash by the school and 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.

The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

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

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

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

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

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

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

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

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

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

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

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

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

The estimated useful lives of the assets are:

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

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.

h) 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.

i) 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.

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

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

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

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

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

l) Provision for Cyclical Maintenance
The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

p) Budget Figures
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.

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

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

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 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Operational Grants	1,097,309	1,054,380	1,117,366
Teachers' Salaries Grants	3,671,270	3,700,000	3,613,790
Other MoE Grants	90,180	55,000	56,135
Other Government Grants	-	-	123,703
	4,858,759	4,809,380	4,910,994

The school does not qualify for the donation scheme.

3. Locally Raised Funds

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

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Revenue			
Donations & Bequests	2,535,000	2,725,000	2,320,000
Activities	32,420	30,000	17,961
Donations Other	1,122	30,000	3,408
Other Revenue	32,298	54,000	28,349
	2,600,840	2,839,000	2,369,718
Expenses			
Extra Curricular Activities Costs	-	-	-
Trading	-	-	-
Fundraising and Community Grant Costs	-	-	-
Other Locally Raised Funds Expenditure	-	-	-
	-	-	-
Surplus/ (Deficit) for the year Locally raised funds	2,600,840	2,839,000	2,369,718

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	16	16	16

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Revenue			
International Student Fees	159,566	130,435	181,092
Expenses			
Student Recruitment	-	-	-
Employee Benefit - Salaries	247,438	250,000	218,818
Other Expenses	23,312	80,000	40,638
	270,750	330,000	259,456
Surplus/ (Deficit) for the year International Students	(111,184)	(199,565)	(78,364)

5. Learning Resources

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Curricular	388,255	453,422	404,690
Extra-curricular activities	1,726	2,000	1,772
Information and Communication Technology	47,214	67,253	41,728
Library Resources	9,713	11,500	8,179
Employee Benefits - Salaries	5,597,916	5,626,920	5,392,869
Staff Development	33,230	22,000	21,155
	6,078,054	6,183,095	5,870,393

6. Administration

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Audit Fee	9,200	9,200	9,200
Board Fees	4,270	5,500	5,205
Board Expenses	1,711	5,500	1,080
Communication	28,789	34,000	45,378
Consumables	11,168	12,000	10,254
Legal Fees	-	2,000	4,000
Other	62,905	73,500	108,167
Employee Benefits - Salaries	286,057	272,000	254,913
Insurance	23,120	22,000	19,179
Conference Expenses	9,849	15,000	7,588
	437,069	450,700	464,964

7. Property

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Caretaking and Cleaning Consumables	22,835	32,000	31,644
Consultancy and Contract Services	80,000	80,000	77,000
Cyclical Maintenance Provision	106,078	50,000	16,381
Grounds	30,374	32,500	26,610
Heat, Light and Water	114,384	105,000	93,831
Rates	3,645	3,500	3,376
Repairs and Maintenance	169,372	127,500	112,513
Use of Land and Buildings	621,800	875,000	994,880
Employee Benefits - Salaries	187,611	210,000	186,283
	1,336,099	1,515,500	1,542,518

In 2021 the Proprietor revised the notional rent rate from 8% to 5% to align it with the rate used for state schools. Accordingly in 2021, the use of land and buildings figure represents 5% of the school's integrated property value.

8. Cash and Cash Equivalents

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Bank Accounts	947,209	725,000	989,626
Cash and cash equivalents for Statement of Cash Flows	947,209	725,000	989,626

9. Accounts Receivable

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Receivables	-	-	-
Receivables from the Ministry of Education	-	10,000	10,181
Teacher Salaries Grant Receivable	323,377	220,000	281,222
	323,377	230,000	291,403
Receivables from Exchange Transactions	-	-	-
Receivables from Non-Exchange Transactions	323,377	230,000	291,403
	323,377	230,000	291,403

10. Property, Plant and Equipment

2021	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	Total (NBV) $
Furniture and Equipment	437,096	118,013	(411)		(112,729)	**441,969**
Information and Communication Technology	70,173	54,236			(42,051)	**82,358**
Library Resources	79,137	11,711			(12,354)	**78,494**
Balance at 31 December 2021	586,406	183,960	(411)	-	(167,134)	**602,821**

The net carrying value of equipment held under a finance lease is **$Nil (2020: $20,718)**
The net carrying value of ICT held under a finance lease is **$47,504 (2020: $27,915)**

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	$	$	$	$	$	$
Furniture and Equipment	1,441,246	(999,277)	**441,969**	1,337,537	(900,441)	**437,096**
Information and Communication T	386,154	(303,796)	**82,358**	366,600	(296,427)	**70,173**
Library Resources	170,451	(91,957)	**78,494**	158,740	(79,603)	**79,137**
Balance at 31 December	1,997,851	(1,395,030)	**602,821**	1,862,877	(1,276,471)	**586,406**

11. Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	$	$	$
Creditors	173,296	150,000	131,484
Accruals	17,470	20,000	27,241
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	374,140	175,994	455,731
Employee Entitlements - Leave Accrual	86,578	80,000	76,093
	651,484	425,994	690,549
Payables for Exchange Transactions	647,839	422,494	687,174
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	3,645	3,500	3,375
Payables for Non-exchange Transactions - Other			
	651,484	425,994	690,549

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	$	$	$
International Student Fees in Advance	65,217	109,467	117,174
	65,217	109,467	117,174

13. Provision for Cyclical Maintenance

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Provision at the Start of the Year	372,018	372,018	371,364
Increase/ (decrease) to the Provision During the Year	202,523	50,000	16,381
Use of the Provision During the Year	(96,445)	-	(15,727)
Provision at the End of the Year	478,096	422,018	372,018
Cyclical Maintenance - Current	94,838	100,000	223,147
Cyclical Maintenance - Term	383,258	275,000	148,871
	478,096	375,000	372,018

14. Finance Lease Liability

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

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
No Later than One Year	22,815	45,000	45,132
Later than One Year and no Later than Five Years	27,517	20,000	13,786
Later than Five Years			
Future Finance Charges	2,828	4,000	4,392
	53,160	69,000	63,310
Represented by			
Finance lease liability - Current	22,815	45,000	45,132
Finance lease liability - Term	27,517	20,000	13,786
	50,332	65,000	58,918

15. Related Party Transactions

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

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

The Proprietor of the School (Lindisfarne 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 fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings 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'. The 2021 value was $621,800 (2020 $994,880) and the Proprietor donated this amount to cover the cost. The Proprietor also donated $2,535,000 (2020 $2,320,000) to the Board.
Under an agency agreement, if the School collects funds on behalf of the Proprietor$Nil (2020 $Nil). 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 $Nil, (2020: $Nil). Boarding bursaries totalling $151,350.00 (2020 $159,175) were received from the Ministry of Education and paid to the Proprietor who then credits the individual students with the amount of their bursary.
In addition the school has entered into a Service Level Agreement with the Proprietor for the provision of services, including propety (P&D and electrical) $96,445 (2020 $15,663, cleaning $80,000 (2020 $77,000), and Reader Writers $51,052 (2020 $36,831. The provision of religious instruction to pupils of the College is provided free of charge in accordance with the Private Schools Conditional Integration Act 1975.

16. Remuneration

Key management personnel compensation

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

	2021 Actual $	2020 Actual $
Board Members		
Remuneration	4,270	5,205
Leadership Team		
Remuneration	1,513,664	1,413,278
Full-time equivalent members	13	12
Total key management personnel remuneration	1,517,934	1,418,483

There are **11** members of the Board excluding the Principal. The Board had held 6 full meetings of the Board in the year. The Board also has Finance **(5 members)** that meet quarterly. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1
The total value of remuneration paid or payable to the Principal was in the following bands:

	2021 Actual $000	2020 Actual $000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	40-50
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

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

Remuneration $000	2021 FTE Number	2020 FTE Number
100-110	9.00	7.00
110-120	3.00	4.00
120-130	3.00	2.00
130-140	1	1
	16.00	14.00

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

17. Compensation and Other Benefits Upon Leaving

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

	2021 Actual	2020 Actual
Total	0	20-30
Number of People	0	1

18. 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 boards, through payroll service provider Education Payroll Limited.

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2021, a contingent liability for the school may exist.

19. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has no contract agreements for capital works
(Capital commitments at 31 December 2020: $Nil)

(b) Operating Commitments

As at 31 December 2021 the Board has no operating committments:
g commitments at 31 December 2020: $Nil)

20. Financial Instruments

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

Financial assets measured at amortised cost

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Cash and Cash Equivalents	947,209	725,000	989,626
Receivables	323,377	230,000	291,403
Investments - Term Deposits	-	-	-
Total Financial assets measured at amortised cost	1,270,586	955,000	1,281,029

Financial liabilities measured at amortised cost

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Payables	647,839	422,494	687,174
Borrowings - Loans	-	-	-
Finance Leases	50,332	65,000	58,918
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	698,171	487,494	746,092

21. Events After Balance Date

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

21. Comparatives

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

22. 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 was 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.

Baker Tilly Staples Rodway Audit Limited
205 Hastings Street South, Hastings 4122
PO Box 46, Hastings 4156
New Zealand

T: +64 6 878 7004
F: +64 6 876 0078
E: hawkesbay@bakertillysr.nz
W: www.bakertillysr.nz

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF LINDISFARNE COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Lindisfarne College (the School). The Auditor-General has appointed me, Philip Pinckney, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 20 May 2022. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

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

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

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

Independence

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

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

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