

Mount Albert Grammar School

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Ministry Number:	0069
Principal:	Patrick Drumm
School Address:	36 Alberton Ave, Mt Albert, Auckland
School Postal Address:	36 Alberton Ave, Mt Albert, Auckland, 1025
School Phone:	09-846 2044
School Email:	pdrumm@mags.school.nz
Accountant / Service Provider:	Edtech Financial Services Ltd

Mt Albert Grammar School

Members of the Board

For the year ended 31 December 2022

Name	Position	How position on Board gained	Term expired/expires
Catherine Murphy	Presiding Member	Elected	2025
Patrick Drumm	Principal	Ex-officio	
Raj Bhikha	Member	Elected	2025
John Liddell	Foundation Rep	Co-opted	2025
Paul Moon	Member	Elected	2025
Greg Moyle	Member	Elected	2025
Jacqui Cesan	Staff Rep	Elected	2025
Alan Holmes	Albertians Rep	Co-opted	2025
Melissa Absolum	Member	Elected	2025
LeeAnn Yare	Member	Elected	2025
Luann Tapu	Member	Elected	2025

MOUNT ALBERT GRAMMAR SCHOOL

Annual Report - For the year ended 31 December 2022

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Mount Albert Grammar School

Statement of Responsibility

For the year ended 31 December 2022

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the school.

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

Catherine Murphy

Full Name of Presiding Member



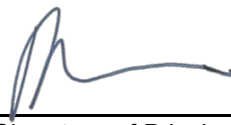
Signature of Presiding Member

1 June 2023

Date:

Patrick Denis Drumm

Full Name of Principal



Signature of Principal

1 June 2023

Date:

Mount Albert Grammar School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	34,718,336	9,000,071	33,230,200
Locally Raised Funds	3	3,271,928	2,352,569	3,476,335
Interest Income		84,974	42,984	59,183
Gain on Sale of Property, Plant and Equipment		7,419		
Hostel	4	1,522,425	1,433,777	1,210,693
Total Revenue		39,605,082	12,829,401	37,976,411
Expenses				
Locally Raised Funds	3	939,374	523,631	904,013
Hostel	4	1,263,960	1,079,074	832,990
Learning Resources	5	26,401,644	8,690,909	25,103,001
Administration	6	1,353,507	1,278,991	924,334
Finance		46,268	-	49,172
Property	7	9,520,368	1,801,572	8,712,399
Loss on Disposal of Property, Plant and Equipment		-	-	521
		39,525,121	13,374,177	36,526,430
Net Surplus / (Deficit) for the year		79,961	(544,776)	1,449,981
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		79,961	(544,776)	1,449,981

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

Mount Albert Grammar School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		16,546,810	16,546,810	14,741,019
Total comprehensive revenue and expense for the year		79,961	(544,776)	1,449,981
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		436,200	-	355,810
Equity at 31 December		17,062,971	16,002,034	16,546,810

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.

Mount Albert Grammar School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	8	1,545,288	839,929	727,367
Accounts Receivable	9	3,193,428	1,534,900	1,490,085
GST Receivable		-	183,510	178,164
Prepayments		215,975	135,100	131,144
Inventories	10	21,200	26,400	25,595
Investments	11	3,006,352	4,500,000	4,499,415
Funds Receivable for Capital Works Projects	18	65,960	36,000	359,489
		8,048,203	7,255,839	7,411,259
Current Liabilities				
GST Payable		94,707	-	-
Accounts Payable	13	2,248,391	2,191,680	2,127,795
Revenue Received in Advance	14	2,051,654	1,362,400	1,322,858
Provision for Cyclical Maintenance	15	573,632	239,000	238,598
Finance Lease Liability	16	254,796	238,800	238,744
Funds held in Trust	17	395,623	313,000	303,902
Funds held for Capital Works Projects	18	400,319	-	325,922
		6,019,122	4,344,880	4,557,819
Working Capital Surplus/(Deficit)		2,029,081	2,910,959	2,853,440
Non-current Assets				
Capital Works in Progress		401,657	-	662,820
Property, Plant and Equipment	12	14,960,697	13,938,315	13,844,721
		15,362,354	13,938,315	14,507,541
Non-current Liabilities				
Provision for Cyclical Maintenance	15	217,002	602,240	572,570
Finance Lease Liability	16	111,462	245,000	241,601
		328,464	847,240	814,171
Net Assets		17,062,971	16,002,034	16,546,810
Equity		17,062,971	16,002,034	16,546,810

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

Mount Albert Grammar School

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		10,079,318	9,003,929	8,885,238
Locally Raised Funds		1,400,460	1,701,315	2,440,102
Hostel		1,593,760	1,433,777	1,210,693
International Students		1,044,268	684,854	680,006
Goods and Services Tax (net)		272,871	(5,346)	(40,972)
Payments to Employees		(6,364,881)	(6,006,239)	(6,131,077)
Payments to Suppliers		(7,344,934)	(6,422,078)	(5,596,729)
Interest Paid		(46,268)	-	(95,052)
Interest Received		72,045	42,647	70,015
Net cash from/(to) Operating Activities		706,639	432,859	1,422,224
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		7,419	-	
Purchase of Property Plant & Equipment (and Intangibles)		(1,980,794)	(112,265)	(1,490,394)
Purchase of Investments		-	-	
Proceeds from Sale of Investments		1,493,063	(585)	1,377,329
Net cash from/(to) Investing Activities		(480,312)	(112,850)	(113,065)
Cash flows from Financing Activities				
Furniture and Equipment Grant		436,200	-	149,019
Finance Lease Payments		(270,686)	(216,545)	(281,928)
Loans Received / Repayment of Loans		-	-	(1,000,000)
Funds Administered on Behalf of Third Parties		426,080	9,098	(732,770)
Net cash from/(to) Financing Activities		591,594	(207,447)	(1,865,679)
Net increase/(decrease) in cash and cash equivalents		817,921	112,562	(556,520)
Cash and cash equivalents at the beginning of the year	8	727,367	727,367	1,283,887
Cash and cash equivalents at the end of the year	8	1,545,288	839,929	727,367

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.



Mount Albert Grammar School

Reconciliation of Net Cash Flows

From Operating Activities to Net Surplus

For the year ended 31 December 2022

		2022	2022	2021
	(Unaudited)	Actual	Budget	Actual
		\$	\$	\$
Net Surplus for the year		79,961	(544,776)	1,449,981
Add Non-Cash Items				
Depreciation		1,311,738	900,000	1,154,955
Non-Cash Movement in Cyclical Maintenance Provision		17,074	30,072	46,905
Non-Cash Movement in Governments Grants		(29,158)	-	(120,000)
		<u>1,299,654</u>	<u>930,072</u>	<u>1,081,860</u>
Add/(Loss) Movements in other working capital items:				
(Increase) decrease in receivables		(1,670,050)	(2,421)	(38,792)
(Increase) decrease in prepayments		(84,831)	(3,956)	4,650
(Increase) decrease in inventory		4,395	(805)	(5,000)
Increase (decrease) in payables		75,843	20,549	(513,467)
Increase (decrease) in revenue in advance		728,796	39,542	(516,557)
Increase (decrease) net GST		272,871	(5,346)	(40,972)
		<u>(672,976)</u>	<u>47,563</u>	<u>(1,110,138)</u>
Add (less) Items classified as investing activities:				
Loss (Gain) on sale of fixed assets			-	521
			<u>-</u>	<u>521</u>
Net Cash Flow from Operating activities		<u>706,639</u>	<u>432,859</u>	<u>1,422,224</u>

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Mount Albert Grammar School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Mount Albert Grammar 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 is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expense 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 best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 23b.

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.

Other Ministry Grants for directly funded programs are recorded as revenue when the School has the rights to the funding in the period they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

Interest Revenue

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

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

g) Inventories

Inventories are consumable items held for sale and comprised of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

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 (funded by the Board) to buildings owned by the Crown or directly by the board 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	25 years
Board Owned Buildings	40 years
Furniture and equipment	5-20 years
Information and communication technology	5 years
Motor vehicles	5 years
Textbooks	1-4 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

j) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

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.

k) 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. If such indication exists, the School estimates the asset's recoverable service amount. 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.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available 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. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

l) 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.

m) 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 12 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. Remeasurements are recognised in surplus or deficit in the period in which they arise.

n) Revenue Received in Advance

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

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

o) 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.

p) Funds held for Capital works

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

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



q) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. 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 the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

r) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

The School's financial liabilities comprise accounts payable and finance lease liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

s) 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.

t) Budget Figures

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

u) Services Received In-kind

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

2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	10,118,993	8,919,563	8,947,203
Teachers' Salaries Grants	17,141,638	-	17,039,618
Use of Land and Buildings Grants	7,328,255	-	7,087,291
Other Government Grants	129,450	80,508	156,088
	<u>34,718,336</u>	<u>9,000,071</u>	<u>33,230,200</u>

The school has not opted in to the donations scheme for this year.

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	613,596	600,000	582,738
Fees for Extra Curricular Activities	1,587,565	922,117	1,364,348
Trading	156,700	19,500	23,820
Fundraising & Community Grants	1,447	2,000	943
Other Revenue	193,290	137,288	233,438
International Student Fees	719,330	671,664	1,271,048
	<u>3,271,928</u>	<u>2,352,569</u>	<u>3,476,335</u>
Expenses			
Extra Curricular Activities Costs	368,253	174,960	161,159
Trading	14,788	12,000	12,698
Other Locally Raised Funds Expenditure	128,346	77,660	65,822
International Student - Student Recruitment	8,790	8,000	726
International Student - Employee Benefit - Salaries	260,849	149,688	425,590
International Student - Overseas Travel	19,756	-	-
International Student - Other Expenses	138,592	101,323	238,018
	<u>939,374</u>	<u>523,631</u>	<u>904,013</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>2,332,554</u>	<u>1,828,938</u>	<u>2,572,322</u>

During the year the School hosted 39 International students (2021:74)

During the year ended December 2022 the Director of International Students travelled to Italy Germany period 4th to 12th April, to Vietnam period 13th to 21th August, to Hong Kong period 23th to 26th October and to Thailand period 8th to 13th November at a cost of \$19,756 for the purpose of recruiting new students for the school. The travel was funded from the net surplus from international student fees revenue.

4. Hostel Revenue and Expenses

	2022 Actual Number	2022 Budget (Unaudited) Number	2021 Actual Number
Hostel Financial Performance			
Hostel Full Boarders	109	110	95
	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Hostel Fees	1,400,049	1,410,444	1,180,084
Other Revenue	122,376	23,333	30,609
	1,522,425	1,433,777	1,210,693
Expenses			
Administration	86,084	62,130	55,195
Property	182,892	180,500	100,674
Employee Benefit - Salaries	273,873	83,996	152,819
Other Hostel Expenses	721,111	752,448	524,302
	1,263,960	1,079,074	832,990
<i>Surplus/ (Deficit) for the year Hostel</i>	258,465	354,703	377,703

5. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	2,809,337	2,505,269	2,253,906
Information and Communication Technology	301,867	420,386	305,572
Library Resources	14,069	19,234	13,061
Employee Benefits - Salaries	21,880,049	4,771,020	21,294,896
Staff Development	84,584	75,000	80,611
Depreciation	1,311,738	900,000	1,154,955
	26,401,644	8,690,909	25,103,001

6. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	15,704	15,576	15,000
Board Fees	5,550	-	5,400
Board Expenses	24,443	23,000	2,151
Communication	17,650	30,800	16,193
Consumables	(97,954)	59,367	(104,601)
Other	410,594	300,332	146,225
Employee Benefits - Salaries	881,470	768,454	747,714
Insurance	79,975	64,992	50,862
Service Providers, Contractors and Consultancy	16,075	16,470	45,390
	1,353,507	1,278,991	924,334

7. Property

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	548,992	416,232	459,974
Consultancy and Contract Services	233,961	216,012	215,606
Cyclical Maintenance Provision	(17,074)	-	46,905
Grounds	82,672	50,004	78,219
Heat, Light and Water	303,781	187,992	174,925
Rates	621	-	274
Repairs and Maintenance	688,625	541,620	371,016
Use of Land and Buildings	7,328,255	-	7,087,291
Security	117,609	150,000	49,299
Employee Benefits - Salaries	232,926	239,712	228,890
	<u>9,520,368</u>	<u>1,801,572</u>	<u>8,712,399</u>

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

8. Cash and Cash Equivalents

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Bank Accounts	1,545,288	839,929	727,367
Cash and cash equivalents for Statement of Cash Flows	<u>1,545,288</u>	<u>839,929</u>	<u>727,367</u>

Of the \$1,545,288 Cash and Cash Equivalents, \$400,319 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2021 on Crown owned school buildings.

9. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Receivables	1,683,519	39,000	37,858
Interest Receivable	22,792	10,200	9,863
Teacher Salaries Grant Receivable	1,487,117	1,485,700	1,442,364
	<u>3,193,428</u>	<u>1,534,900</u>	<u>1,490,085</u>
Receivables from Exchange Transactions	1,706,311	49,200	47,721
Receivables from Non-Exchange Transactions	1,487,117	1,485,700	1,442,364
	<u>3,193,428</u>	<u>1,534,900</u>	<u>1,490,085</u>

The Ageing Profile of Receivables at year end is detailed below

	Gross \$	2022 Actual Impairment \$	Net \$	Gross \$	2021 Actual Impairment \$	Net \$
Not Past Due	1,632,445	-	1,632,445	1,509,331	-	1,509,331
Past Due 1 - 30 Days	8,958	-	8,958	3,450	-	3,450
Past Due 31 - 60 Days	1,279	-	1,279	150	-	150
Past Due 61 - 90 Days	-	-	-	-	-	-
Past Due over 90 Days	40,837	-	40,837	12,212	-	12,212
Total	<u>1,683,519</u>	<u>-</u>	<u>1,683,519</u>	<u>1,525,143</u>	<u>-</u>	<u>1,525,143</u>

10. Inventories

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Livestock	21,200	26,400	25,595
	<u>21,200</u>	<u>26,400</u>	<u>25,595</u>

11. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	3,006,352	4,500,000	4,499,415
Total Investments	<u>3,006,352</u>	<u>4,500,000</u>	<u>4,499,415</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Land	1,960,000	-	-	-	-	1,960,000
Buildings	6,861,196	1,126,778	-	-	(221,591)	7,766,383
Building Improvements	609,916	-	-	-	(63,871)	546,045
Furniture and Equipment	2,888,933	873,653	-	-	(408,697)	3,353,889
Information and Communication Technology	965,264	255,266	-	-	(326,582)	893,948
Motor Vehicles	40,507	-	-	-	(8,647)	31,860
Textbooks	-	4,436	-	-	(4,436)	-
Leased Assets	451,791	156,599	-	-	(268,183)	340,207
Library Resources	67,114	10,982	-	-	(9,731)	68,365
Balance at 31 December 2022	13,844,721	2,427,714	-	-	(1,311,738)	14,960,697

The net carrying value of computer equipment held under a finance lease is \$340,207 (2021: \$451,791).

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land	1,960,000	-	1,960,000	1,960,000	-	1,960,000
Buildings	9,545,728	(1,779,345)	7,766,383	8,418,950	(1,557,754)	6,861,196
Building Improvements	1,377,794	(831,749)	546,045	1,377,794	(767,878)	609,916
Furniture and Equipment	9,333,758	(5,979,869)	3,353,889	8,463,751	(5,574,818)	2,888,933
Information and Communication Technology	3,961,401	(3,067,453)	893,948	3,706,135	(2,740,871)	965,264
Motor Vehicles	121,963	(90,103)	31,860	121,963	(81,456)	40,507
Textbooks	674,711	(674,711)	-	670,275	(670,275)	-
Leased Assets	1,304,093	(963,886)	340,207	1,147,494	(695,703)	451,791
Library Resources	253,993	(185,628)	68,365	243,011	(175,897)	67,114
Balance at 31 December	28,533,441	(13,572,744)	14,960,697	26,109,373	(12,264,652)	13,844,721

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

13. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	505,077	448,980	435,895
Accruals	11,580	28,400	27,567
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	1,507,344	1,524,200	1,479,780
Employee Entitlements - Leave Accrual	224,390	190,100	184,553
	<u>2,248,391</u>	<u>2,191,680</u>	<u>2,127,795</u>
Payables for Exchange Transactions	2,248,391	2,191,680	2,127,795
	<u>2,248,391</u>	<u>2,191,680</u>	<u>2,127,795</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	-	165,800	161,000
International Student Fees in Advance	766,048	454,300	441,110
Hostel Fees in Advance	156,424	-	85,089
Other revenue in Advance	1,129,182	742,300	635,659
	<u>2,051,654</u>	<u>1,362,400</u>	<u>1,322,858</u>

15. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	811,168	811,168	764,263
Increase to the Provision During the Year	(17,074)	30,072	46,905
Use of the Provision During the Year	(3,460)	-	-
Provision at the End of the Year	<u>790,634</u>	<u>841,240</u>	<u>811,168</u>
Cyclical Maintenance - Current	573,632	239,000	238,598
Cyclical Maintenance - Non current	217,002	602,240	572,570
	<u>790,634</u>	<u>841,240</u>	<u>811,168</u>

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

16. Finance Lease Liability

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
No Later than One Year	280,051	238,800	273,764
Later than One Year and no Later than Five Years	119,007	245,000	256,427
Future Finance Charges	(32,800)	-	(49,846)
	<u>366,258</u>	<u>483,800</u>	<u>480,345</u>
Represented by			
Finance lease liability - Current	254,796	238,800	238,744
Finance lease liability - Non current	111,462	245,000	241,601
	<u>366,258</u>	<u>483,800</u>	<u>480,345</u>

17. Funds held in Trust

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	395,623	313,000	303,902
	<u>395,623</u>	<u>313,000</u>	<u>303,902</u>

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

18. 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. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 8.

	2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Seismic Strengthening		38,368	-	-	-	38,368
Dance & Drama conversion		287,554	890,952	(1,088,702)	-	89,804
Lift		(359,489)	1,022,376	(390,740)	-	272,147
P Block		-	89,950	(111,684)	-	(21,734)
Performing Arts Project		-	-	(4,114)	-	(4,114)
T Block Alterations		-	40,000	(80,112)	-	(40,112)
Totals		(33,567)	2,043,278	(1,675,352)	-	334,359

Represented by:

Funds Held on Behalf of the Ministry of Education	400,319
Funds Receivable from the Ministry of Education	(65,960)

	2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Seismic Strengthening		38,368	-	-	-	38,368
Dance & Drama conversion		110,129	1,519,150	(1,341,725)	-	287,554
Lift		148,364	-	(507,853)	-	(359,489)
Totals		296,861	1,519,150	(1,849,578)	-	(33,567)

Represented by:

Funds Held on Behalf of the Ministry of Education	325,922
Funds Receivable from the Ministry of Education	(359,489)

19. Related Party Transactions

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

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



20. Remuneration

Key management personnel compensation

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

	2022	2021
	Actual	Actual
	\$	\$
<i>Board Members</i>		
Remuneration	5,550	5,400
<i>Leadership Team</i>		
Remuneration	3,012,897	3,347,204
Full-time equivalent members	28	28
Total key management personnel remuneration	<u>3,018,447</u>	<u>3,352,604</u>

There are 10 members of the Board excluding the Principal. The Board had held 9 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding member 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:

	2022	2021
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	280 - 290	270 - 280
Benefits and Other Emoluments	1 - 10	1 - 10
Termination Benefits	-	-

Other Employees

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

Remuneration	2022	2021
\$000	FTE Number	FTE Number
160-170	0.00	2.00
150-160	0.00	0.00
140-150	0.00	0.00
130-140	0.00	3.00
120-130	0.00	2.00
110-120	11.00	12.00
100-110	33.00	36.00
	<u>44.00</u>	<u>55.00</u>

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

21. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be 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:

	2022	2021
	Actual	Actual
Total	\$26,801	-
Number of People	2	-

22. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: nil).

Holidays Act Compliance – Schools Payroll

The Ministry of Education performs payroll processing and payments on behalf of 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 2022, a contingent liability for the school may exist.

TAPES Wash-up Funding

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2022.

The Ministry is in the process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is confirmed, the amount to be received is not known with a high level of certainty. The School has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023.

23. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into contract agreements for capital works as follows:

(a) \$22,400 contract for T Block Upgrade to be completed in 2023, which will be fully funded by the Ministry of Education. \$40,000 has been received of which \$80,112 has been spent on the project to date.

(Capital commitments at 31 December 2021: \$3,810,722)

(b) Operating Commitments

As at 31 December 2022 the Board has entered into the following contracts:

(a) operating lease of a motor vehicle

	2022	2021
	Actual	Actual
	\$	\$
No later than One Year	9,528	7,956
Later than One Year and No Later than Five Years	22,232	1,989
	<u>31,760</u>	<u>9,945</u>

The total lease payments incurred during the period were \$9,120 (2021: \$8,304).

24. Financial Instruments

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

Financial assets measured at amortised cost

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Cash and Cash Equivalents	1,545,288	839,929	727,367
Receivables	3,193,428	1,534,900	1,490,085
Investments - Term Deposits	3,006,352	4,500,000	4,499,415
Total Financial assets measured at amortised cost	<u>7,745,068</u>	<u>6,874,829</u>	<u>6,716,867</u>

Financial liabilities measured at amortised cost

Payables	2,248,391	2,191,680	2,127,795
Finance Leases	366,258	483,800	480,345
Total Financial Liabilities Measured at Amortised Cost	<u>2,614,649</u>	<u>2,675,480</u>	<u>2,608,140</u>

Fair Value

The fair value of financial instruments is the carrying value. See notes 9 and 11 for the fair value of deposits.

Credit Risk

The maximum exposure to credit risk is disclosed in the Statement of Financial Position.

Credit risk is the risk that a third party will default on its obligations to Mt Albert Grammar School, causing the school to incur a loss.

In the normal course of its business, credit risk arises from debtors, deposits with banks and derivative financial assets. Maximum credit risks are disclosed in the Statement of Financial Position. The concentration of credit risk in respect of cash and cash equivalents is mitigated by investing with high credit rating registered banks (in accordance with Section 28, Schedule 6 of the Education Act 1989).

Receivables include grants and funding due from MOE. No collateral is held to mitigate the risk of loss as a result of default.

In accordance with Section 28, Schedule 6 of the Education Act 1989 all surplus monies are invested with registered banks. The following cash and deposit balances represent concentrations of credit risk.

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Auckland Savings Bank Limited			
<i>Bank Current Account</i>	945,288	639,929	527,367
<i>Bank Call Account</i>	600,000	200,000	200,000
Short-term Bank Deposits with Maturities more than 3 months	3,006,352	4,500,000	4,499,415
Accrued Interest	22,792	-	9,863
	<u>4,574,432</u>	<u>5,339,929</u>	<u>5,236,645</u>

Interest Rate Risk

The board's treasury policy objectives are to

- (a) ensure there is sufficient liquidity to meet the operational commitments:
- (b) invest in risk free or near risk free investments
- (c) purchase investments with a range of maturity dates.

The maturity periods for the investments are as follows:

	2022	2021
	\$	\$
Within 270 days	3,006,352	4,499,415

All of the above investments can be readily liquidated, although not necessarily at the amounts recorded above.

Currency Risk

The School had no exposure to currency risk as at reporting date.

Liquidity Risk

Management of liquidity risk

Liquidity risk is the risk that the School will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and the ability to close out market positions. The School manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

Contractual maturity analysis of financial liabilities, excluding derivatives

The table below analyses financial liabilities (excluding derivatives) into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

	Carrying Amount	Contractual Cashflows	Within One Year	More than One Year
	\$	\$	\$	\$
31 December 2022				
Payables	505,077	505,077	505,077	-
Finance Leases	366,258	366,258	254,796	111,462
	<u>871,335</u>	<u>871,335</u>	<u>759,873</u>	<u>111,462</u>
31 December 2021				
Payables	435,895	435,895	435,895	-
Finance Leases	480,345	480,345	238,744	241,601
	<u>916,240</u>	<u>916,240</u>	<u>674,639</u>	<u>241,601</u>

25. Events After Balance Date

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

26. Comparatives

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

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF MOUNT ALBERT GRAMMAR SCHOOL'S
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

The Auditor-General is the auditor of Mount Albert Grammar School (the School). The Auditor-General has appointed me, Brendan Lyon, using the staff and resources of Crowe New Zealand Audit Partnership, 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 1 to 23, that comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2022; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 1 June 2023. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Responsibilities of the Board for the financial statements

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

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information obtained at the date of our audit report is the School Directory, Analysis of Variance Reporting, Kiwisport Report, and the Statement of Compliance with Employment Policy 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.



Brendan Lyon
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Auckland, New Zealand

Mount Albert Grammar School

2022 Analysis of Variance

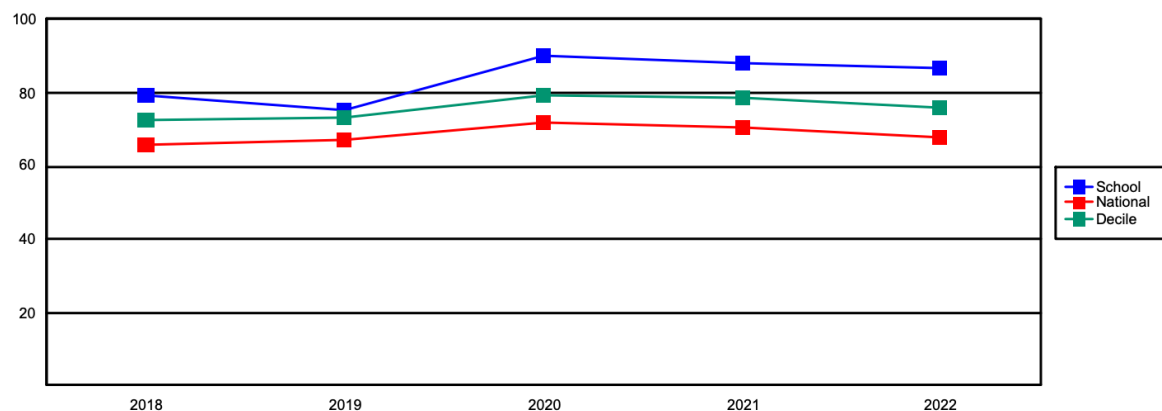


MOUNT ALBERT
GRAMMAR SCHOOL



Goal 1: 2022 NCEA Level 3 Achievement above 85% for all Year 13 students

Year 13 - NCEA Level 3



Year 13 NCEA Level 3

Academic Year	MAGS	National	Decile 7
2018	79.2%	66.1%	72.8%
2019	75.3%	67.3%	73.6%
2020	90.1%	72.1%	79.5%
2021	88.0%	70.5%	78.9%
2022	87.1%	68.1%	76.3%

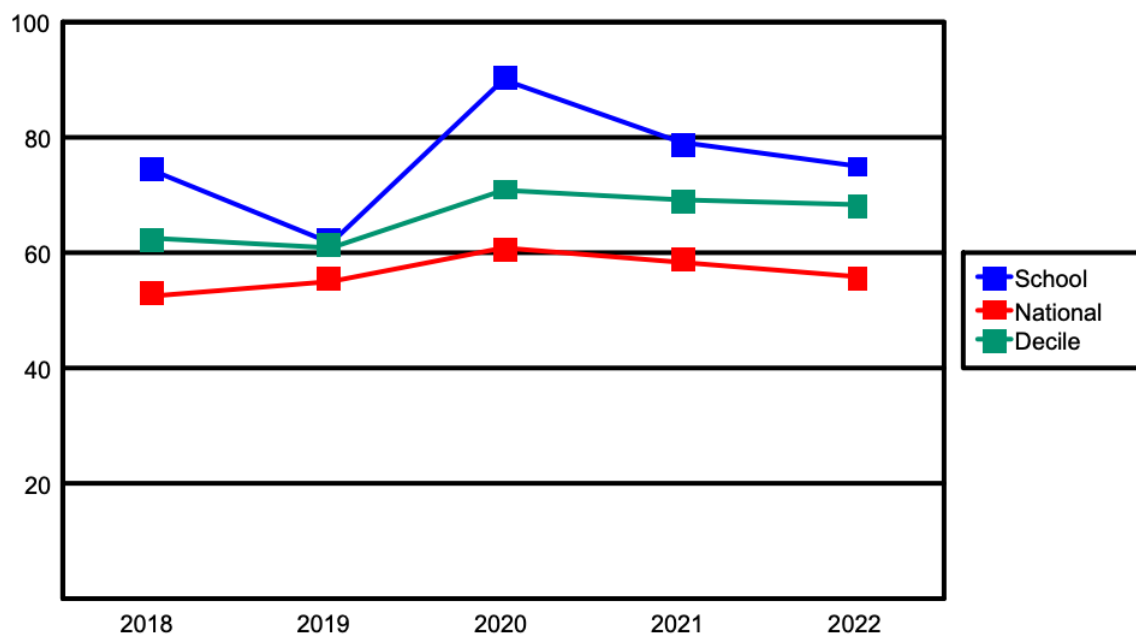
Commentary:

We were successful in achieving this Goal with 87.1% of all Year 13 students gaining NCEA Level 3 in 2022 (2.1% above the Target)

- Whilst this result is a drop since 2021, both Nationally and Decile 7 show a drop from 2021. 2021 included both Learning Recognition Credits (LRCs) and Unexpected event Grades (UEGs).
- MAGS results were 10.8% above the Decile 7 data and 19% above National.
- The last time that the results did not include LRC or UEG grades was 2019 and MAGS achieved 11.8% above the 2019 results.

Goal 2: 2022 NCEA Level 3 Achievement above 85% for Year 13 Māori students

Year 13 NCEA Level 3 - Māori



Year 13 NCEA Level 3 - Māori

Academic Year	MAGS	National	Decile 7
2018	74.3%	52.9%	62.3%
2019	61.9%	55.1%	61.0%
2020	90.1%	60.7%	70.8%
2021	78.8%	58.5%	68.9%
2022	76.1%	55.7%	68.0%

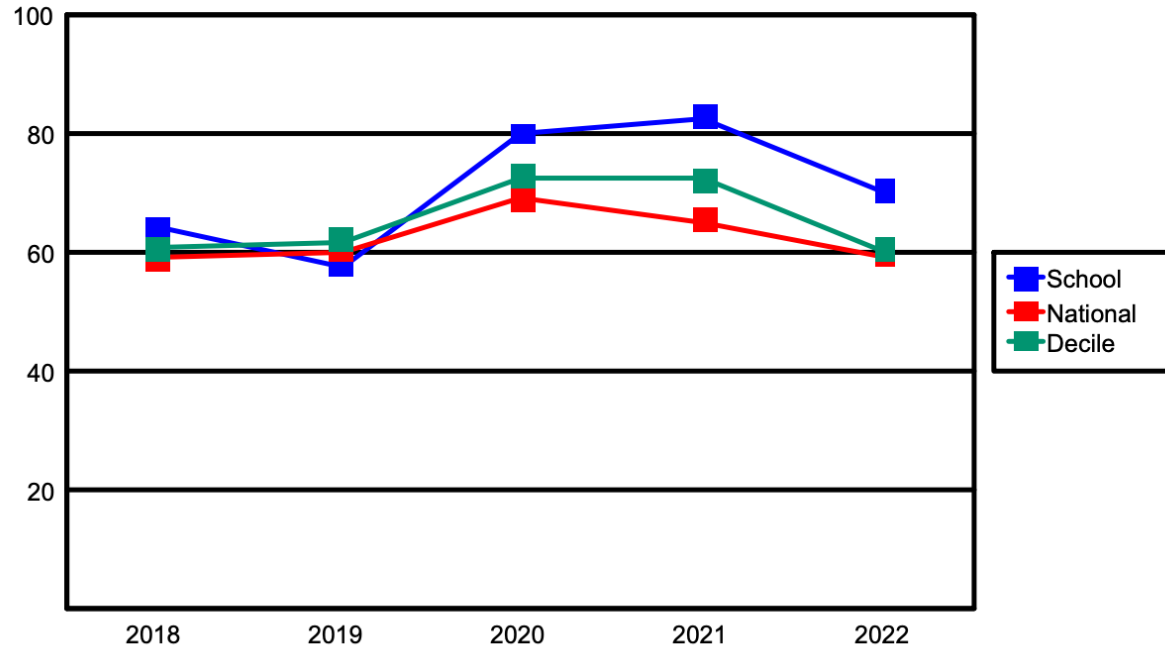
Commentary:

We did not quite achieve the aspirational target for 85% of Year 13 Māori students gaining NCEA Level 3. We did however gain 76.1% which is 8.9% below the Target, but still above both National and Decile 7 data.

- Whilst this result is a drop since 2021, both Nationally and Decile 7 show a drop from 2021. 2021 included both Learning Recognition Credits (LRCs) and Unexpected event Grades (UEGs).
- MAGS Māori results were 8.1% above the Decile 7 data and 20.4% above National.
- The last time that the results did not include LRC or UEG grades was 2019 and MAGS achieved 14.2% above the 2019 results.

Goal 3: 2022 NCEA Level 3 Achievement above 85% for all Year 13 Pasifika students

Year 13 NCEA Level 3 - Pacific Peoples



Year 13 NCEA Level 3 - Pacific Peoples

Academic Year	MAGS	National	Decile 7
2018	63.6%	58.9%	60.6%
2019	57.6%	60.3%	61.9%
2020	79.8%	68.9%	72.7%
2021	82.6%	64.9%	72.2%
2022	70.9%	59.4%	60.1%

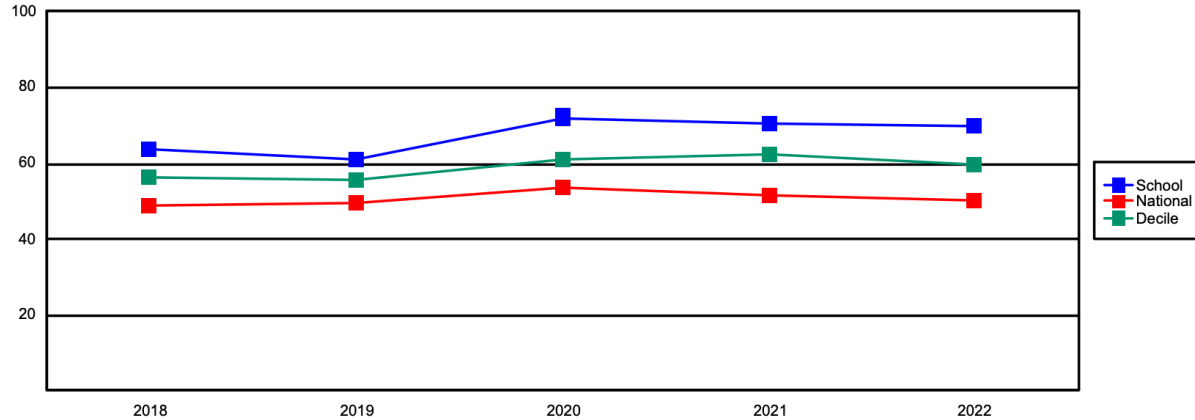
Commentary:

We did not quite manage to achieve the aspirational target for 85% of Year 13 Pacific Peoples gaining NCEA Level 3. We did however gain 70.9% which is 14.1% below the Target, but still above both National and Decile 7 data.

- Whilst this result is a drop since 2021, both Nationally and Decile 7 show a drop from 2021. 2021 included both Learning Recognition Credits (LRCs) and Unexpected event Grades (UEGs).
- MAGS Pacific Peoples results were 10.8% above both the Decile 7 and 11.5% above National data.
- The last time that the results did not include LRC or UEG grades was 2019 and MAGS achieved 13.3% above the 2019 results.

Goal 4: 2022 University Entrance (UE) above 70% for all Year 13 students

Year 13 - University Entrance



Year 13 UE – University Entrance

Academic Year	MAGS	National	Decile 7
2018	63.7%	48.9%	56.0%
2019	61.0%	49.3%	55.8%
2020	72.1%	53.4%	60.9%
2021	70.4%	51.9%	62.5%
2022	70.3%	50.3%	59.5%

Commentary:

We were successful in achieving this Goal with 70.3% of all Year 13 students gaining University Entrance Qualification in 2022 (0.3% above the Target)

- Whilst this is a slight drop (0.1%) since 2021, both Nationally and Decile 7 show a drop from 2021. 2021 included both Learning Recognition Credits (LRCs) and Unexpected event Grades (UEGs).
- MAGS results were 10.8% above the Decile 7 data and 20% above National.
- The last time that the results did not include LRC or UEG grades was 2019 and MAGS achieved 9.3% above the 2019 results.

Goal 5: 2022 Scholarship entries – at least 500 Scholarship exams sat across a full range of subjects

Year	Number of Entries	Number of Scholarships Attempted	Total Number of Scholarships (Including Outstanding)	Number of Outstanding Scholarships
11	19	17	5*	0
12	84	58	12	1**
13	465	291	101	14

* a Year 11 student gained two scholarships

** a Year 12 student gained an Excellence Scholarship in Physics

Gender	Number of Entries	Number of Scholarships Attempted	Total Number of Scholarships (Including Outstanding)	Number of Outstanding Scholarships
Female	300	187	69	11
Male	268	179	49	4

Commentary:

We did not quite manage to achieve the aspirational target for 500 scholarship exams sat, with only 366 scholarship exams sat by students in 2022. There were however 568 possible entries.

- 118 of the 366 (compared to 104 of the 330 in 2021) taken were awarded Scholarship or Outstanding which is one of our best results and places us in one of the top 4 schools.
- 15 results were Outstanding Scholarships (compared to 11 in 2021)
- 15 students gained 3 or more Scholarships placing them on the MAGS Honours board (compared to 9 in 2021)
- Two students gained Outstanding Scholarship Awards (51 awarded Nationally)
- One student gained a Premier Award (11 awarded Nationally)

Kiwisport Funding 2022

The amount given to MAGS for the above year was \$80,692.52. The bulk of it has continued to contribute to the school's sports administration as payment of wages of four personnel. Four people work full time for a total of 150 hours per week. The remaining contributed to the salaries of our 1st XV Rugby Boys and Girls, 1st XI Football Boys and Girls, Hockey, Netball and Rowing coaches.

We participated in 43 different sports all sanctioned by ASB College Sport of Auckland and NZSSSC. We are slowly recovering after covid and the number of students participating in playing sports with is growing with 1600 students engaging in one or more sports in 2022.

Sport is a major part of life for many students at this school and the school is continually looking to improve and provide more opportunities, so the funding is imperative in making MAGS sport the success it is.

Allie Wright
Director of Sport
Mount Albert Grammar School
8462044 ext 8186
alliewright@mags.school.nz



Good Employer Policy

As a good employer, Mount Albert Grammar School operates an employment policy that contains provisions that are necessary for the fair and proper treatment of employees in all aspects of their employment including:

- Following Health and Safety procedures and monitor staff wellbeing;
- Abiding by the Equal Employment Opportunities requirements;
- Providing opportunities to explore further educational studies and development, with staff selection based on merit;
- Recognition of ethnic and cultural needs and differences

Patrick Drumm
Headmaster

25/5/23
Date