



**NELSON COLLEGE
FOR GIRLS**

Te Kura Tamawāhine o Whakatū

Nelson College for Girls

Trust Foundation

2021 Annual Report

And

Financial Statements

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Nelson College for Girls Trust Foundation

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NCG Trust Foundation

Entity Information

For the year ended 31 December 2021

Name of Entity

Nelson College for Girls Trust Foundation.

Type of Entity and Structure

The reporting entity is that entity known as the Nelson College for Girls Trust Foundation and is governed by the Nelson College for Girls Trust Foundation Board.

Vision

Nelson College for Girls Trust Foundation was formed for the benefit of Nelson College for Girls Secondary School to promote and assist the advancement of education of its students.

Financial Details

The Trust receives income from interest on investments, donations, fundraising and rental from property. This income is used to make donations to Nelson College for Girls.

In 2021 the Trust Foundation sold the property asset, Bronte House, for \$1,150,000. This money is currently held in investments.

Contact Details

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Charities Commission Registration Number: CC26726

NCG Trust Foundation

Statement of Responsibility

The Trust Foundation Board of Trustees has pleasure in presenting the annual report of Nelson College for Girls Trust Foundation, incorporating the financial statements and the auditor's report, 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 statements.

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

In the opinion of the Board and management, the annual financial statements for the financial year fairly reflect the financial position and operations of the Trust Foundation.

The Trust's 2021 financial statements are authorised for issue by the Trust Foundation Chairperson and Trustee.




Trustee



Trustee



Date



Date

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2020 Actual \$
Revenue			
Local Funds	2	0	1
Interest		7,804	3,565
Gain on sale of Asset		745,000	0
		752,804	3,566
Expenditure			
Administration		2,937	672
Legal Fees		2,157	0
Commission on sale of Bronte		23,000	0
		28,094	672
Net operating surplus/(deficit) for the year		724,710	2,894
Total Comprehensive Revenue and Expense for the Year		724,710	2,894

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 31 December 2021

	2021	2020
	Actual	Actual
	\$	\$
Equity at the start of the year	543,802	540,908
Total comprehensive revenue and expense for the year	724,710	2,894
Total recognised revenue and expense	724,710	2,894
Equity at the end of the year	1,268,512	543,802

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.



NCG Trust Foundation

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2020 Actual \$
Equity		1,268,512	543,802
		1,268,512	543,802
Represented by:			
Current assets			
Cash and cash equivalents	3	7,057	4,335
GST		4,315	0
Investments	4	1,257,773	135,771
		1,269,145	140,106
Current liabilities			
Accounts payable		633	1,304
		633	1,304
Working capital surplus		1,268,512	138,802
Non-current assets			
Property, plant and equipment	5	0	405,000
		1,268,512	405,000
Net assets		1,268,512	543,802

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

NCG Trust Foundation
Statement of Cash Flows
 As at 31 December 2021

	Notes	2021 Actual \$	2020 Actual \$
Cash flows from Operating Activities			
Interest		24	7
Payments to suppliers		(33,080)	0
		(33,056)	7
Cash flows from Investing Activities			
Interest from investing activities		571	3,558
Investment Maturity		135,207	0
Transfer to/from investments		(1,250,000)	(3,558)
Proceeds from Sale of Property, Plant & Equipment		1,150,000	0
		35,778	0
Net increase/(decrease) in cash and cash equivalents		2,722	7
Cash and cash equivalents at the beginning of the year		4,335	4,328
Cash and cash equivalents at the end of the year	3	7,057	4,335

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

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2021

a) Reporting Entity

The reporting entity is that entity known as Nelson College for Girls Trust Foundation (the Trust) and is governed by the Nelson College for Girls Trust Foundation Board.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial reporting standards applied

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The Trust 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 Trust qualifies for Tier 2 as the Trust 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

In preparing these financial statements the Trust has made estimates and assumptions concerning the future in regard to asset lives. Where these estimates and assumptions are considered critical by the Trust, they are disclosed in the relevant note below.

c) Revenue Recognition

Donations

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

Interest Revenue

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

d) Cash and Cash Equivalents

Cash and cash equivalents include bank balances, and other short term highly liquid investments with original maturities of three months or less. The carrying amount of cash and cash equivalents represent fair value.

e) Accounts Receivable

Accounts Receivable represents items that the Trust has issued invoices for but has not received payment for at year end. They are initially recorded at fair value and subsequently recorded at the amount the Trust realistically expects to receive. A provision for impairment of Accounts Receivable is established where there is objective evidence the Trust will not be able to collect all amounts due according to the original terms of the debt. This impairment loss is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected and has been included under Other Expenditure in the Statement of Comprehensive Revenue and Expense, if not otherwise shown separately.

f) Investments

Investments are held with registered trading banks and are classified as current assets if they have maturities of between three months and one year.

g) Property, Plant and Equipment

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

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

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 Income.

Bronte House was gifted to the Trust in 2002 and is recorded at its fair value at that date.

Depreciation

The only fixed asset owned by the Trust was Bronte House. Based on the latest government rating valuation as at 1 September 2018, the land and buildings were valued at \$1,250,000.

The Trustees consider that as the residual value of the asset is well above the current carrying amount, the land and buildings shall be depreciated at 0% straight line.

h) Accounts payable

'Accounts payable' represents liabilities for goods and services provided to the Trust 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.

i) Funds held in trust

Funds are held in trust where they have been received by the Trust for a specified purpose. The School guarantees to hold sufficient funds to enable the funds to be used for their intended purpose at any time.

j) Financial Assets and Liabilities

The Trust's financial assets comprise cash and cash equivalents, accounts receivable, GST receivable and investments. All of these financial assets are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

The Trusts financial liabilities comprise accounts payable and GST payable. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

k) Goods and Services Tax (GST)

The financial statements have been prepared exclusive of GST, with the exception of accounts receivable and accounts payable.

2. Local Funds

Local funds – no charge to Nelson College for Girls for the use of Bronte House as it was sold during the year.

3. Cash and cash equivalents

Cash and deposits include:

	2021 Actual \$	2020 Actual \$
Current account	7,057	4,335
Short term deposits with maturity less than three months	0	0
	<u>7,057</u>	<u>4,335</u>

4. Investments

	2021 Actual \$	2020 Actual \$
Short term deposits with maturity between three months and one year	1,257,773	135,771
	<u>1,257,773</u>	<u>135,771</u>

5. Property, Plant and Equipment

Property, plant and equipment are made up of Bronte House land and buildings. These were sold by 31 December 2021 (2020: \$405,000).

	2021 \$	2020 \$
Bronte House Land	0	143,000
Bronte House Buildings	<u>0</u>	<u>262,000</u>
	0	405,000

6. Contingencies

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

7. Commitments

There are no commitments as at 31 December 2021 (2020: nil).

8. Related Party Transactions

The Trust provides use of Bronte House to Nelson College for Girls, for which the Principal and a College Board member are 2 of the 7 of the Foundation Trustees. For the use of the building the school pays for all the House expenditure (rates, insurance, maintenance) for the Trust.

Members of Board of Trust Foundation

Name	Position / Representing	Appointed
Mr Graeme Thomas	Chairperson (Co-opted)	November 2002
Mrs Cathy Ewing	Principal	January 2011
Ms Kathy Cuthbert	NCGOGA	September 2007
Ms Karen Price	NCGOGA	April 2017
Steve Mills	BOT	December 2021
Debbie Van Heeswyck	PTA	June 2016
Anna Heinz	Staff	December 2019

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF NELSON COLLEGE FOR GIRLS TRUST FOUNDATION'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Nelson College for Girls Trust Foundation (the Trust). The Auditor-General has appointed me, Michael Lee, using the staff and resources of Crowe, to carry out the audit of the financial statements of the Trust on his behalf.

Opinion

We have audited the financial statements of the Trust on pages 5 to 13, that comprise the Statement of Financial Position as at 31 December 2021, the Statement of Comprehensive Revenue and Expense, Statement of Changes in Equity and Cash Flow Statement 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 Trust:

- 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 and have been prepared in accordance with Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 15 November 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 of 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 Trustees for the financial statements

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

The Trustees are responsible for such internal control as they determine is necessary to enable them to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Trustees are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Trustees' responsibilities arise from clause 14 of the Trust Deed of the Trust.

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.

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 Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust'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 Trust 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 communicate with the Trustees 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 Trustees are responsible for the other information. The other information comprises the information included in the Entity Information and the Board of Trustees schedule, 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 Group 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 Trust.

A handwritten signature in blue ink, appearing to read "Michael Lee".

Michael Lee
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Nelson, New Zealand