



Accounting
For Schools

SCHOOL REVENUE FINANCE HANDBOOK

Guidance and Strategies on
Revenue Generating Opportunities



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND



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2022

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INTRODUCTION

The Importance of Additional Revenue



In today's educational landscape, securing sufficient funding has become one of the most significant challenges faced by schools. With budgets continually stretched thin and resources limited, schools are under increasing pressure to meet the diverse and ever-expanding needs of their students. While traditional sources of funding, such as government allocations and parent donations, remain essential to supporting school operations, they are no longer sufficient to cover all of a school's needs.

By tapping into alternative revenue sources, schools can not only reduce their reliance on a single revenue stream and ensure financial stability but also invest in areas that might otherwise be out of reach—such as technology, extracurricular programmes, facility improvements, and professional development for staff. Whether through grants, fundraising campaigns, partnerships with local businesses, or community-driven initiatives, there are a number of opportunities available for schools to generate the financial support needed to thrive.

In the following pages of this handbook, we will explore some of these alternative revenue options in detail and offer practical advice and actionable strategies that you can implement to help maximise your school's financial potential.

Ministry of Education School Funding

Schools receive many different types of funding from the Ministry of Education throughout the year. Here is a summary of the most common types:

- **Operational grant** - this is the main source of funding for schools and is paid quarterly at the beginning of January, April, July, and October. The level of funding is determined by the student roll and the equity index.
- **Teacher aide funding** (ORS, BEH, ICS, etc.) - this is provided to schools to help cover the costs of teacher aides in the classroom to support students with higher needs. The level of funding is determined by the assessed needs of the students. Schools must apply for this funding for eligible students, and it is also paid quarterly, in Feb, May, August, and November.
- **ESOL funding** - this is funding to assist with the teaching of English to migrant and refugee students as well as NZ-born students of migrant parents. The school must apply for this funding for eligible students, and it is paid twice a year in April and September.
- **Furniture & Equipment grant** - this is a capital contribution to assist with the upgrading of furniture & equipment within a school. The level of funding is determined by the physical size of the school and is paid out in each 5-year period. Two-thirds is paid out in the first year of the 5-year cycle and the final third is paid out in year three. This funding is recorded on the balance sheet, not as income.
- **TAPEC funding** - this is the wage increase funding as per the collective agreement for teacher aides and other support staff. It is paid at the same time as the operational grant, four times per year. The funding is calculated by the Ministry, based on the support staff wage costs and a washup is done in July each year.

It is important to ensure that the school is applying for all the funding that it is eligible for.

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MINISTRY FUNDING

Continued

In addition to the core funding types outlined on the previous page, schools may be eligible for a range of additional funding and support streams based on their individual circumstances or specific applications. These include:

- **Heat, Light & Water (HLW) Adjustment funding** - while a base level of HLW funding is included in the operational grant, schools may apply for a review and adjustment if there has been a significant change to their infrastructure or operational setup such as adding a new building, relocating, merging with another school, or changing energy use due to a Ministry-led initiative like a heating system upgrade or pool refurbishment.
- **Assistive Technology funding (AT)** - this funding is available to support students with special education needs who require specific learning devices or equipment to access the New Zealand Curriculum. Schools can apply for this funding when a student has a verified need and a suitable device or tool has been identified.
- **Learning and Behaviour (RTLb)** - this support helps schools meet the learning and behavioural needs of Years 1–10 students through a free referral-based service. While not direct funding, RTLbs work with teachers to provide tailored strategies. Referrals can be made when a student has ongoing challenges, teachers need extra support, or collaboration with whānau or agencies is required.
- **Positive Behaviour for Learning (PB4L)** - this is provided to help schools strengthen student wellbeing, engagement, and behaviour. While it is not always a direct cash payment, schools selected for PB4L initiatives receive Ministry-funded training, resources, and, in some cases, support with implementation costs. Schools must apply to participate and are selected based on need, readiness, and commitment to change.
- **Flexible Funding Pool for Refugee and Migrant Students (FFP)** - this funding is provided alongside the Ministry's ESOL funding to help schools support the English language learning needs of refugee and migrant students, as well as New Zealand-born students from migrant families. This funding helps schools provide targeted language support, resources, and teaching to ensure these students can fully participate in learning.
- **Gateway Tertiary funding** - this funding is provided by the Tertiary Education Commission to help schools offer structured workplace learning opportunities for senior students (typically Years 11–13). Schools apply annually and receive funding based on the number of placements they can facilitate.

Tip: It's helpful for schools to regularly catch up with their Ministry of Education advisor. These chats are a great way to ask questions, get advice, and stay informed. Being part of a local cluster or network is also useful, as it lets schools share ideas, resources, and support each other with similar challenges.

4 FUNDRAISING



School fundraising is an excellent way to generate additional funds to support a variety of needs that the school budget may not cover. This could include covering the costs of financing special projects, supporting extracurricular activities, or funding facility improvements. Below, we've compiled several effective fundraising ideas to help your school raise the funds it needs to thrive.

Galas / Fairs :

School galas and fairs are cost effective fundraising events that have the potential to generate a significant amount of revenue for your school. One of the major financial advantages of these events is the ability to accept donated goods, such as baked goods or items for auctions, raffles, or prizes.

Since donated items are exempt from Goods and Services Tax (GST), the school can retain 100% of the income generated from their sale. This maximises the financial benefit of the event, allowing schools to raise more funds without the GST reduction that would usually apply to purchased goods.

Hire of Facilities :

Most schools have areas that can be useful for organisations in the community. Offering to hire out these spaces creates a way for schools to bring some money in while strengthening community connections. Schools may consider hiring out sports facilities or equipment, theatre space for rehearsals or shows, or the school hall for community meetings or other events. It may also be possible to hire out the car park for special events nearby.

Community Grants :

Schools might be eligible to apply for grants for different purposes from government bodies and local charitable foundations. These grants can often be used to fund purchases of computer equipment, sports uniforms, or activity related costs. Grants have the greatest impact on a school's budget when they cover expenses the school would otherwise need to fund, such as buses for camps or swimming lessons. To take advantage of these funding opportunities, schools will need to research and identify the specific grants available in their area, ensuring they meet all eligibility criteria.

Some businesses offer grants to schools and other not for profit organisations. For example, OfficeMax's Max e-Grants programme provides small grants of up to \$5,000 to schools and pre-schools to support children aged 4-18 years to achieve educational participation. You can read more about their programme by visiting the link: <https://www.maxegrants.co.nz/>

Applying for grants can be a time consuming process requiring specific skills and experience to ensure you meet application requirements. Schools may choose to hire a specialist to assist with the application process. In many cases, the specialist's fee is only payable if the grant application is successful.

A-thons: e.g Run-athons / Spell-athons :

Run-a-thons (or 'a-thon of your choice) are a great way to raise funds for the school while bringing together students, families and the community. An 'a-thon' is a peer-to-peer style fundraiser that involves participating in a certain activity and gathering donations for participating in this activity. While organising an 'a-thon' requires some time and effort, the cost is relatively low and the rewards can be highly effective in generating substantial revenue for your school.

A-thons offer the potential to reach a huge donor pool through online donation pages such as Give a little etc. Donors can be parents, family friends, or any community member who wants to chip in. Schools can also attract local businesses or large corporations to sponsor the event, providing additional funding or in-kind donations, such as goods or services for prizes etc.

Selling Chocolates / Cookies / etc :

Selling chocolates or other products can be another highly effective fundraising option. Schools can partner with local confectionery companies or use established fundraising programmes to sell chocolate bars or cookies. This method typically requires minimal upfront costs and appeals to a wide audience.

Quiz Nights :

Hosting quiz nights can be a great revenue earner and doesn't require a lot of set-up. All you need is a suitable space, a quiz master, a good set of questions, and some snacks on the tables. They're easy to organise, fun for the community, and can be repeated throughout the year.

Key questions to consider



Fundraising Tips - Before you start

Before you get started with any of the school fundraising ideas listed on the previous pages, it's important to take some time to answer the following questions:

- Consider your context. What are your school's financial needs over the course of the entire school year and beyond?
- What are your goals? Be specific. Instead of saying "we need to raise funds for our sports programme", create a list of sports equipment you need (alongside their prices).
- When do you need to have the funds? Are funds needed quickly or are you comfortable receiving them throughout the school year?
- What are the resources you can commit to raising the funds? For example, how many volunteer hours can your team commit?
- Who's the leader and who will be helping out?

If you want your school fundraiser to be a big success, this is no time to just wing it! Even if you're super busy, take some time to consider your goals, ambitions, and resources. A little bit of planning goes a long way. Then, you'll be ready to get started!

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INTERNATIONAL STUDENTS

Enrolment



Schools may be able to generate additional revenue by enrolling international students, who typically pay higher tuition fees than domestic students. Even enrolling just one international student can contribute thousands of dollars annually, making it a highly profitable opportunity for schools looking to boost their revenue.

To enrol international students, New Zealand schools must:

- be signatories to the Code of Practice for the Pastoral Care of International Students 2021, which outlines responsibilities for ensuring students' safety, well-being, and academic support.
- provide safe and suitable accommodation options for international students under the age of 18, such as vetted homestays, boarding facilities, or living with legal guardians, and regularly monitor these arrangements.
- ensure students have valid student visas, comprehensive health and travel insurance, and access to quality education, including support like ESOL programs if needed.
- maintain transparent fee structures, robust policies for emergencies and complaints, and ethical marketing and recruitment practices. Compliance with the Code is monitored through audits by NZQA.

For more detailed information about the Code of Practice, school eligibility, and guidelines for enrolling international students, visit the Ministry of Education website at www.education.govt.nz.

To access the application form and criteria for becoming a signatory, visit the NZQA website at: <https://www2.nzqa.govt.nz/tertiary/the-code/the-code-for-education-providers/becoming-a-signatory-to-the-code/>

Getting more for your school from your bank



To help your school maximise its funding, we recommend leveraging the investment options available through your bank.

Call / Savings Accounts :

On-call savings accounts typically offer higher interest rates than standard cheque accounts. Transferring surplus funds into a savings account—especially after receiving your operating grant—can help maximise returns. Once funds are in an on-call savings account, your school will automatically start earning higher interest without any extra effort. However, it's essential to ensure your cheque account retains enough funds to cover bills and wages as they become due.

Term Deposits :

For surplus funds that are not immediately required, term deposits are another excellent option. By locking funds away for a fixed period, schools can take advantage of higher interest rates compared to regular savings accounts.

It may be possible to invest in multiple term deposits with different maturity dates. This approach ensures that funds mature at staggered intervals, giving you the opportunity to reassess your financial position and decide whether to reinvest. If you're banking with ASB, keep an eye out for their special term deposit interest rates, which are released periodically, usually when the operational grant is paid.



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