



# HOWICK COLLEGE

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

**Ministry Number:** 87

**Principal:** Iva Ropati

**School Address:** Sandspit Road, Howick, Auckland

**School Postal Address:** Sandspit Road, Howick, Auckland

**School Phone:** 09 534 4492

**School Email:** secretary@howick.school.nz

#### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/</b>
Miles Stratford	Presiding Member	Elected	Jun-25
Roger Gribble	Presiding Member	Elected	Sep-22
Iva Ropati	Principal	Appointed	Sep-22
Paul Bennett	Acting Principal	Appointed	Dec-22
Bruce Barrett	Parent Representative	Elected	Jun-25
Carin Newbould	Parent Representative	Elected	Nov-23
John Donaldson	Parent Representative	Appointed	Nov-23
Michele Heywood	Parent Representative	Elected	Jun-25
Miles Stratford	Parent Representative	Elected	Sep-22
Ray Burge	Parent Representative	Elected	Jun-25
Rebecca Rose	Parent Representative	Elected	Jun-25
Richard Gray	Parent Representative	Appointed	Nov-23
Richard Tosh	Parent Representative	Elected	Jun-25
Shopie White	Student Representative	Elected	Dec-23
Sharon King	Staff Representative	Elected	Jun-25

**Accountant / Service Provider:** S.A.J. Services Ltd

# HOWICK COLLEGE

Annual Report - For the year ended 31 December 2022

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# Howick College

## 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.

\_\_\_\_\_  
Full Name of Presiding Member

\_\_\_\_\_  
Full Name of Principal

\_\_\_\_\_  
Signature of Presiding Member

\_\_\_\_\_  
Signature of Principal

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Date:

# Howick College

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>				
Government Grants	2	20,339,776	19,987,377	19,374,034
Locally Raised Funds	3	1,684,284	1,501,352	1,714,956
Interest Income		10,919	2,500	1,897
<b>Total Revenue</b>		<b>22,034,979</b>	<b>21,491,229</b>	<b>21,090,887</b>
<b>Expenses</b>				
Locally Raised Funds	3	907,936	638,385	839,406
Learning Resources	4	15,527,874	14,732,046	15,247,007
Administration	5	1,012,530	937,854	933,010
Finance		22,799	15,000	14,564
Property	6	4,392,004	5,116,325	3,859,420
Loss on Disposal of Property, Plant and Equipment		359	-	4,693
		<b>21,863,502</b>	<b>21,439,610</b>	<b>20,898,100</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>171,477</b>	<b>51,619</b>	<b>192,787</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>171,477</b>	<b>51,619</b>	<b>192,787</b>

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

# Howick College

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Equity at 1 January</b>		1,724,023	1,724,023	1,531,236
Total comprehensive revenue and expense for the year		171,477	51,619	192,787
<b>Equity at 31 December</b>		1,895,500	1,775,642	1,724,023
Accumulated comprehensive revenue and expense		1,895,500	1,775,642	1,724,023
<b>Equity at 31 December</b>		1,895,500	1,775,642	1,724,023

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.

# Howick College

## Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	1,903,464	2,099,562	1,997,941
Accounts Receivable	8	1,101,805	82,726	1,096,165
GST Receivable		10,034	-	-
Prepayments		138,286	29,304	29,304
Inventories	9	219,480	86,440	86,440
Funds Receivable for Capital Works Projects	17	44,275	-	-
		<u>3,417,344</u>	<u>2,298,032</u>	<u>3,209,850</u>
<b>Current Liabilities</b>				
GST Payable		-	34,943	34,943
Accounts Payable	11	1,640,967	391,525	1,404,964
Revenue Received in Advance	12	605,168	397,012	397,012
Provision for Cyclical Maintenance	13	19,070	63,396	63,396
Painting Contract Liability	14	96,311	96,311	96,311
Finance Lease Liability	15	102,690	58,071	58,071
Funds held in Trust	16	385,651	236,053	236,053
Funds held for Capital Works Projects	17	240,375	603,463	603,463
		<u>3,090,232</u>	<u>1,880,774</u>	<u>2,894,213</u>
<b>Working Capital Surplus/(Deficit)</b>		327,112	417,258	315,637
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	2,335,100	2,007,603	2,057,605
		<u>2,335,100</u>	<u>2,007,603</u>	<u>2,057,605</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	394,953	258,792	258,792
Painting Contract Liability	14	182,076	247,375	247,375
Finance Lease Liability	15	189,683	143,052	143,052
		<u>766,712</u>	<u>649,219</u>	<u>649,219</u>
<b>Net Assets</b>		<u>1,895,500</u>	<u>1,775,642</u>	<u>1,724,023</u>
<b>Equity</b>		<u>1,895,500</u>	<u>1,775,642</u>	<u>1,724,023</u>

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

# Howick College

## Statement of Cash Flows

For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		4,769,213	4,669,635	4,424,547
Locally Raised Funds		1,069,558	1,136,278	1,085,348
International Students		838,065	51,150	315,685
Goods and Services Tax (net)		(44,976)	17,961	17,961
Payments to Employees		(3,037,888)	(2,633,245)	(2,842,957)
Payments to Suppliers		(2,766,324)	(2,759,785)	(2,704,986)
Interest Paid		(22,799)	(15,000)	(14,564)
Interest Received		10,919	2,500	1,897
Net cash from/(to) Operating Activities		815,768	469,494	282,931
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	(15)	-
Purchase of Property Plant & Equipment (and Intangibles)		(485,294)	(129,524)	(270,248)
Net cash from/(to) Investing Activities		(485,294)	(129,539)	(270,248)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(101,887)	(198,640)	(110,782)
Painting contract payments		(65,299)	(74,063)	96,311
Funds Administered on Behalf of Third Parties		(257,765)	177,783	177,783
Net cash from/(to) Financing Activities		(424,951)	(94,920)	163,312
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(94,477)</b>	<b>245,035</b>	<b>175,995</b>
Cash and cash equivalents at the beginning of the year	7	1,997,941	1,854,527	1,821,946
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>1,903,464</b>	<b>2,099,562</b>	<b>1,997,941</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

# Howick College

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### **a) Reporting Entity**

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

##### **b) Basis of Preparation**

###### ***Reporting Period***

The financial 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 13.



### *Useful lives of property, plant and equipment*

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

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

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

#### *Classification of leases*

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. 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 15. Future operating lease commitments are disclosed in note 15.

#### *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

#### **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) Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

#### **e) Finance Lease Payments**

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

#### **f) Cash and Cash Equivalents**

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

#### **g) Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for 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.

#### **h) 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.

#### **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	50 years
Board Owned Buildings	50 years
Furniture and equipment	12 years
Information and communication technology	5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

#### **j) Impairment of property, plant, and equipment and intangible assets**

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

##### *Non cash generating assets*

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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.

#### **k) Accounts Payable**

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

#### **l) Employee Entitlements**

##### *Short-term employee entitlements*

Employee 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.

#### **m) Revenue Received in Advance**

Revenue received in advance relates to fees received from international 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.

**n) 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.

**o) 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.

**p) 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 schools 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.

**q) Financial Instruments**

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

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract 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.

**r) 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.

**s) 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	4,645,743	4,352,983	4,196,304
Teachers' Salaries Grants	12,224,587	11,359,324	11,900,595
Use of Land and Buildings Grants	3,345,581	4,151,205	3,048,892
Other Government Grants	123,865	123,865	228,243
	<u>20,339,776</u>	<u>19,987,377</u>	<u>19,374,034</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 \$
<b>Revenue</b>			
Donations & Bequests	205,448	283,000	207,394
Curriculum related Activities - Purchase of goods and services	389,696	520,700	403,857
Fees for Extra Curricular Activities	296,705	166,000	295,979
Fundraising & Community Grants	159,349	90,000	101,540
International Student Fees	633,086	441,652	706,186
	<u>1,684,284</u>	<u>1,501,352</u>	<u>1,714,956</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	473,397	382,800	461,283
Fundraising and Community Grant Costs	61,223	-	9,546
International Student - Student Recruitment	143,603	75,000	61,369
International Student - Employee Benefit - Salaries	161,865	128,585	173,543
International Student - Other Expenses	67,848	52,000	133,665
	<u>907,936</u>	<u>638,385</u>	<u>839,406</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>776,348</u>	<u>862,967</u>	<u>875,550</u>

During the year the School hosted 65 International students (2021:70)

During the year ended December 2022 the Principal and Business Manager travelled to Europe, Brazil, Chile and Vietnam at a cost of \$53,164 for the purpose of recruiting new students for the school. The travel was funded from the net surplus from international student fees revenue.

#### 4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	840,491	1,078,609	886,756
Library Resources	11,745	14,000	8,829
Employee Benefits - Salaries	14,227,701	13,121,997	13,862,338
Staff Development	47,359	87,440	60,929
Depreciation	400,578	430,000	428,155
	<u>15,527,874</u>	<u>14,732,046</u>	<u>15,247,007</u>

#### 5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	12,247	11,247	9,220
Board Fees	3,845	6,000	3,430
Board Expenses	55,893	35,000	41,591
Communication	31,651	56,000	39,467
Consumables	17,727	18,000	17,360
Operating Lease	42,989	26,780	22,989
Other	72,346	87,702	80,881
Employee Benefits - Salaries	737,190	661,205	679,747
Insurance	25,492	22,000	25,734
Service Providers, Contractors and Consultancy	13,150	13,920	12,591
	<u>1,012,530</u>	<u>937,854</u>	<u>933,010</u>

#### 6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	46,137	42,700	61,468
Consultancy and Contract Services	477,093	465,500	364,028
Cyclical Maintenance Provision	106,724	100,000	133,677
Grounds	11,641	10,000	3,520
Heat, Light and Water	152,362	154,000	138,887
Rates	2,429	2,000	2,434
Repairs and Maintenance	177,181	102,000	22,152
Use of Land and Buildings	3,345,581	4,151,205	3,048,892
Security	10,799	10,000	10,450
Employee Benefits - Salaries	62,057	78,920	73,912
	<u>4,392,004</u>	<u>5,116,325</u>	<u>3,859,420</u>

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

## 7. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	1,903,464	2,099,562	1,997,941
Cash and cash equivalents for Statement of Cash Flows	<u>1,903,464</u>	<u>2,099,562</u>	<u>1,997,941</u>

Of the \$1,903,464 Cash and Cash Equivalents, \$240,375 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 2023 on Crown owned school buildings.

## 8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	67,543	82,726	82,726
Banking Staffing Underuse	394	-	-
Teacher Salaries Grant Receivable	1,033,868	-	1,013,439
	<u>1,101,805</u>	<u>82,726</u>	<u>1,096,165</u>
Receivables from Exchange Transactions	67,543	82,726	82,726
Receivables from Non-Exchange Transactions	1,034,262	-	1,013,439
	<u>1,101,805</u>	<u>82,726</u>	<u>1,096,165</u>

## 9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
School Uniforms	219,480	86,440	86,440
	<u>219,480</u>	<u>86,440</u>	<u>86,440</u>

## 10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Artworks	6,591	15,000	-	-	-	21,591
Building Improvements	821,362	136,534	-	-	(29,800)	928,096
Furniture and Equipment	787,179	218,961	-	-	(146,847)	859,293
Information and Communication Technology	193,953	81,004	-	-	(99,583)	175,374
Motor Vehicles	5,711	12,700	-	-	(3,160)	15,251
Textbooks	846	8,889	-	-	(3,981)	5,754
Leased Assets	181,752	193,138	-	-	(108,200)	266,690
Library Resources	60,211	12,206	(359)	-	(9,007)	63,051
<b>Balance at 31 December 2022</b>	<b>2,057,605</b>	<b>678,432</b>	<b>(359)</b>	<b>-</b>	<b>(400,578)</b>	<b>2,335,100</b>

The net carrying value of furniture and equipment held under a finance lease is \$266,691 (2021: \$181,753)

### Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Artworks	21,591	-	21,591	6,591	-	6,591
Building Improvements	1,573,738	(645,642)	928,096	1,437,204	(615,842)	821,362
Furniture and Equipment	3,652,359	(2,793,066)	859,293	3,444,552	(2,657,373)	787,179
Information and Communication Technology	2,747,293	(2,571,919)	175,374	2,666,289	(2,472,336)	193,953
Motor Vehicles	78,232	(62,981)	15,251	90,024	(84,313)	5,711
Textbooks	11,452	(5,699)	5,753	3,341	(2,495)	846
Leased Assets	397,933	(131,242)	266,691	428,415	(246,663)	181,752
Library Resources	224,818	(161,767)	63,051	213,886	(153,675)	60,211
<b>Balance at 31 December</b>	<b>8,707,416</b>	<b>(6,372,316)</b>	<b>2,335,100</b>	<b>8,290,302</b>	<b>(6,232,697)</b>	<b>2,057,605</b>



## 11. Accounts Payable

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	466,800	179,261	179,261
Accruals	9,200	55,354	7,503
Employee Entitlements - Salaries	1,113,044	109,059	1,170,349
Employee Entitlements - Leave Accrual	51,923	47,851	47,851
	<u>1,640,967</u>	<u>391,525</u>	<u>1,404,964</u>
Payables for Exchange Transactions	1,640,967	391,525	1,404,964
	<u>1,640,967</u>	<u>391,525</u>	<u>1,404,964</u>

The carrying value of payables approximates their fair value.

## 12. Revenue Received in Advance

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International Student Fees in Advance	458,022	253,043	253,043
Other revenue in Advance	147,146	143,969	143,969
	<u>605,168</u>	<u>397,012</u>	<u>397,012</u>

## 13. Provision for Cyclical Maintenance

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	322,188	322,188	284,822
Increase to the Provision During the Year	106,724	-	133,677
Use of the Provision During the Year	(14,889)	-	(96,311)
Other Adjustments	-	-	-
Provision at the End of the Year	<u>414,023</u>	<u>322,188</u>	<u>322,188</u>
Cyclical Maintenance - Current	19,070	63,396	63,396
Cyclical Maintenance - Non current	394,953	258,792	258,792
	<u>414,023</u>	<u>322,188</u>	<u>322,188</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.

#### 14. Painting Contract Liability

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Due within one year	96,311	96,311	96,311
Due after one year	182,076	247,375	247,375
	<u>278,387</u>	<u>343,686</u>	<u>343,686</u>

In 2019 the Board signed an agreement with Walker Property Services (the contractor) for an agreed programme of work covering an seven year period. The programme provides for an exterior repaint of the Ministry owned buildings in 2020, with regular maintenance in subsequent years. The agreement has an annual commitment of \$96,311.

#### 15. 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	102,690	58,071	58,071
Later than One Year and no Later than Five Years	189,683	143,052	143,052
	<u>292,373</u>	<u>201,123</u>	<u>201,123</u>
<b>Represented by</b>			
Finance lease liability - Current	102,690	58,071	58,071
Finance lease liability - Non current	189,683	143,052	143,052
	<u>292,373</u>	<u>201,123</u>	<u>201,123</u>

#### 16. Funds held in Trust

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	385,651	236,053	236,053
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>385,651</u>	<u>236,053</u>	<u>236,053</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.

## 17. 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 9.

2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
G Block heating & Re-roof	82,602	-	-	-	82,602
L Block Interior Stage 2	(60,241)	-	-	60,241	-
L Block Roof	(51,210)	-	-	51,210	-
H & D Block Internal Reurbishment	(8,594)	-	8,594	-	-
Roofing Replacement 03	92,408	(72,509)	(19,899)	-	-
SIP Car Park Upgrade	(1,600)	-	1,600	-	-
SIP Bus Bay Redevelopment	95,152	37,849	(133,001)	-	-
SIP L Block Seating	42,986	3,395	(46,381)	-	-
A,DD,H,HR,L,PA,R,SE,T Electrical DB	93,980	200	(92,758)	1,148	2,570
SIP 4: New Deck	(16,935)	20,175	(3,240)	-	-
Heating Upgrade (02)	143,471	1,950	(138,636)	302	7,087
Flooring and Wall replacements	201,845	10,793	(206,620)	1,177	7,195
G Block and Library	(10,400)	250,000	(98,679)	-	140,921
Gym & Mini Gym Refurbishment	-	-	(44,275)	-	(44,275)
Roof Encapsulation	-	72,509	(72,509)	-	-
<b>Totals</b>	<b>603,464</b>	<b>324,361</b>	<b>(845,803)</b>	<b>114,078</b>	<b>196,100</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	240,375
Funds Receivable from the Ministry of Education	(44,275)

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
G Block heating & Re-roof	82,601	-	-	-	82,602
L Block Interior Stage 2	(60,241)	-	-	-	(60,241)
L Block Roof	-	-	(51,210)	-	(51,210)
LSC SIPS Relactable	313,585	-	(313,585)	-	-
H & D Block Internal Reurbishment	-	-	(8,594)	-	(8,594)
Roofing Replacement 03	-	98,208	(5,800)	-	92,408
SIP Car Park Upgrade	-	-	(1,600)	-	(1,600)
SIP Bus Bay Redevelopment	-	108,000	(12,848)	-	95,152
SIP L Block Seating	-	45,000	(2,014)	-	42,986
A,DD,H,HR,L,PA,R,SE,T Electrical DB	-	117,330	(23,350)	-	93,980
SIP 4: New Deck	-	18,000	(34,935)	-	(16,935)
Heating Upgrade (02)	-	149,985	(6,514)	-	143,471
Flooring and Wall replacements	-	204,345	(2,500)	-	201,845
G Block and Library	-	-	(10,400)	-	(10,400)
<b>Totals</b>	<b>335,945</b>	<b>740,867</b>	<b>(473,349)</b>	<b>-</b>	<b>603,464</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	752,444
Funds Receivable from the Ministry of Education	(148,980)

## 18. 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.

## 19. Remuneration

### *Key management personnel compensation*

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

	<b>2022 Actual \$</b>	<b>2021 Actual \$</b>
<i>Board Members</i> Remuneration	3,845	3,430
<i>Leadership Team</i> Remuneration	1,282,912	1,293,130
Full-time equivalent members	10	10
Total key management personnel remuneration	<u>1,286,757</u>	<u>1,296,560</u>

There are 13 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance (4 members) and Property (4 members) that meet monthly and quarterly respectively. 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.

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

	<b>2022 Actual \$000</b>	<b>2021 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	180 - 190	210 - 220
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	24.00	24.00
110 - 120	10.00	8.00
120 - 130	1.00	3.00
130 - 140	5.00	3.00
140 - 150	1.00	1.00
	<u>41.00</u>	<u>39.00</u>

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

### 20. 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 Actual	2021 Actual
Total	-	-
Number of People	-	-

### 21. 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.

#### Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement

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 probable, 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.

## 22. Commitments

### (a) Capital Commitments

As at 31 December 2022 the Board has entered into the following contract agreements for capital works.

(a) \$2,236,988 for the Gym and Library project, which will be fully funded by the Ministry of Education. \$250,000 has been received of which \$10,400 has been spent on the project to date.

(Capital commitments at 31 December 2021: \$658,393)

### (b) Operating Commitments

As at 31 December 2022 the Board has entered into no contracts.

(Operating commitments at 31 December 2021: nil)

## 23. 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	1,903,464	2,099,562	1,997,941
Receivables	1,101,805	82,726	1,096,165
Total Financial assets measured at amortised cost	<u>3,005,269</u>	<u>2,182,288</u>	<u>3,094,106</u>

### Financial liabilities measured at amortised cost

Payables	1,640,967	391,525	1,404,964
Finance Leases	292,373	201,123	201,123
Painting Contract Liability	278,387	343,686	343,686
Total Financial Liabilities Measured at Amortised Cost	<u>2,211,727</u>	<u>936,334</u>	<u>1,949,773</u>

## 24. Events After Balance Date

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

## 25. Comparatives

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