

HAURAKI SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 1304

Principal: Clarinda Franklin

School Address: 82 Jutland Road
Hauraki
Auckland 0622

School Phone: (09) 489 4568

School Email: office@hauraki.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Sarah Keber	Presiding Member	Elected	Sept 2025
James Greenway	Presiding Member	Elected	Sept 2022
Clarinda Franklin	Principal ex Officio		
Sarah Gold	Parent Representative	Elected	Sept 2025
Queenie Lai	Parent Representative	Elected	Sept 2025
Emily McRea	Parent Representative	Elected	Sept 2025
Paul Barber	Parent Representative	Elected	Sept 2025
Jennine Cassidy	Parent Representative	Elected	Sept 2022
Sarah Heron	Parent Representative	Elected	Sept 2022
Matthew Manning	Parent Representative	Elected	Sept 2022
Logan Burson	Staff Representative	Elected	Sept 2025
Christopher Pipes	Staff Representative	Elected	Sept 2025

Accountant / Service Provider:

Top Class Financial management Services

HAURAKI SCHOOL

Annual Report - For the year ended 31 December 2022

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Hauraki 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.

Sarah Keber

Full Name of Presiding Member

Keber

Signature of Presiding Member

26/5/23

Date:

Clarinda Franklin

Full Name of Principal

Clarinda

Signature of Principal

26/5/23

Date:

Hauraki 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	4,240,841	3,979,792	4,073,417
Locally Raised Funds	3	383,783	239,000	344,512
Interest Income		8,957	3,000	5,639
Total Revenue		4,633,581	4,221,792	4,423,568
Expenses				
Locally Raised Funds	3	119,946	84,250	75,085
Learning Resources	4	3,021,403	3,061,053	2,986,714
Administration	5	214,093	208,146	188,337
Finance		3,040	5,500	4,199
Property	6	1,333,978	1,220,760	1,165,733
Loss on Disposal of Property, Plant and Equipment		4,421	-	11,132
		4,696,881	4,579,709	4,431,200
Net Surplus / (Deficit) for the year		(63,300)	(357,917)	(7,632)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(63,300)	(357,917)	(7,632)

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

Hauraki 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		1,234,710	1,234,710	1,232,518
Total comprehensive revenue and expense for the year		(63,300)	(357,917)	(7,632)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	9,824
Equity at 31 December		1,171,410	876,793	1,234,710
Accumulated comprehensive revenue and expense		1,171,410	876,793	1,234,710
Reserves		-	-	-
Equity at 31 December		1,171,410	876,793	1,234,710

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.

Hauraki School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	456,304	99,109	271,298
Accounts Receivable	8	224,179	203,000	188,624
GST Receivable		9,340	5,000	9,572
Prepayments		11,116	10,000	19,399
Inventories	9	53,143	48,000	54,052
Investments	10	251,859	200,000	751,851
Funds Receivable for Capital Works Projects	16	12,950	-	-
		1,018,891	565,109	1,294,796
Current Liabilities				
Accounts Payable	12	268,753	243,400	269,518
Revenue Received in Advance	13	34,287	15,000	56,799
Provision for Cyclical Maintenance	14	51,037	62,094	69,149
Finance Lease Liability	15	24,719	15,000	16,618
Funds held for Capital Works Projects	16	52,626	-	170,440
		431,422	335,494	582,524
Working Capital Surplus/(Deficit)		587,469	229,615	712,272
Non-current Assets				
Property, Plant and Equipment	11	626,928	657,178	579,478
		626,928	657,178	579,478
Non-current Liabilities				
Provision for Cyclical Maintenance	14	13,134	-	50,094
Finance Lease Liability	15	29,853	10,000	6,946
		42,987	10,000	57,040
Net Assets		1,171,410	876,793	1,234,710
Equity		1,171,410	876,793	1,234,710

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

Hauraki 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		794,491	877,612	743,185
Locally Raised Funds		306,150	178,750	268,672
International Students		55,131	66,250	46,195
Goods and Services Tax (net)		232	-	(1,524)
Payments to Employees		(507,995)	(539,915)	(414,505)
Payments to Suppliers		(672,214)	(626,610)	(531,439)
Interest Paid		(3,040)	(5,500)	(4,199)
Interest Received		8,458	2,000	7,975
Net cash from/(to) Operating Activities		(18,787)	(47,413)	114,360
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		800	(2,886)	
Purchase of Property Plant & Equipment (and Intangibles)		(155,214)	(27,891)	(131,096)
Purchase of Investments		-	-	(229,300)
Proceeds from Sale of Investments		499,992	50,000	
Net cash from/(to) Investing Activities		345,578	19,223	(360,396)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	9,824
Finance Lease Payments		(11,021)	(24,441)	(24,291)
Funds Administered on Behalf of Third Parties		(130,764)	-	181,224
Net cash from/(to) Financing Activities		(141,785)	(24,441)	166,757
Net increase/(decrease) in cash and cash equivalents		185,006	(52,631)	(79,279)
Cash and cash equivalents at the beginning of the year	7	271,298	151,740	350,577
Cash and cash equivalents at the end of the year	7	456,304	99,109	271,298

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.

Hauraki School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Hauraki 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 14.

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 11.

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 21b.

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) 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) 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.

j) 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	20 years
Furniture and equipment	2–10 years
Information and communication technology	2–5 years
Playground	4–10 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

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.

m) Revenue Received in Advance

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

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

n) 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.

o) 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.

p) 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.

q) 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.

r) Budget Figures

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

s) 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	831,693	628,959	743,185
Teachers' Salaries Grants	2,345,972	2,373,265	2,352,664
Use of Land and Buildings Grants	1,063,176	977,568	977,568
	<u>4,240,841</u>	<u>3,979,792</u>	<u>4,073,417</u>

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	114,909	102,000	112,823
Fees for Extra Curricular Activities	96,203	1,750	75,396
Trading	86,423	75,000	66,427
Fundraising & Community Grants	14,813	4,000	5,627
International Student Fees	71,435	56,250	84,239
	<u>383,783</u>	<u>239,000</u>	<u>344,512</u>
Expenses			
Extra Curricular Activities Costs	24,735	5,750	10,364
Trading	93,075	75,000	61,147
International Student - Other Expenses	2,136	3,500	3,574
	<u>119,946</u>	<u>84,250</u>	<u>75,085</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>263,837</u>	<u>154,750</u>	<u>269,427</u>

During the year the School hosted 7 International students (2021:8)

4. Learning Resources

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Curricular	140,973	89,123	133,421
Information and Communication Technology	22,133	41,250	26,626
Library Resources	1,251	1,500	1,382
Employee Benefits - Salaries	2,688,314	2,756,180	2,653,443
Staff Development	24,160	29,000	19,627
Depreciation	144,572	144,000	152,215
	<u>3,021,403</u>	<u>3,061,053</u>	<u>2,986,714</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	7,352	9,000	7,138
Board Fees	2,745	3,500	3,180
Board Expenses	9,881	5,000	5,461
Communication	7,550	8,000	7,489
Consumables	16,848	21,000	9,570
Operating Lease	4,918	13,640	12,571
Other	9,238	12,200	10,967
Employee Benefits - Salaries	130,169	110,000	106,976
Insurance	9,642	10,056	9,985
Service Providers, Contractors and Consultancy	15,750	15,750	15,000
	<u>214,093</u>	<u>208,146</u>	<u>188,337</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	15,932	20,850	16,308
Consultancy and Contract Services	49,282	48,100	45,417
Cyclical Maintenance Provision	(18,822)	12,000	-
Grounds	6,907	6,200	12,102
Heat, Light and Water	32,904	33,655	25,310
Rates	133	130	61
Repairs and Maintenance	110,426	50,257	36,791
Use of Land and Buildings	1,063,176	977,568	977,568
Security	28,519	20,000	11,335
Employee Benefits - Salaries	45,521	52,000	40,841
	<u>1,333,978</u>	<u>1,220,760</u>	<u>1,165,733</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	381,170	99,109	271,298
Short-term Bank Deposits	75,134	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>456,304</u>	<u>99,109</u>	<u>271,298</u>

The carrying value of short-term deposits with original maturity dates of 90 days or less approximates their fair value.

Of the \$456,304 Cash and Cash Equivalents, \$52,626 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.

Of the \$456,304 Cash and Cash Equivalents, \$34,287 is held by the school for International and Domestic Students who have paid in advance. These funds are required to be held until the service to these students is provided by the school. If these conditions are not met, the funds will need to be returned.

8. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Receivables	-	1,000	10
Receivables from the Ministry of Education	10,513	-	-
Interest Receivable	1,800	2,000	1,301
Teacher Salaries Grant Receivable	211,866	200,000	187,313
	<u>224,179</u>	<u>203,000</u>	<u>188,624</u>
Receivables from Exchange Transactions	12,313	3,000	1,311
Receivables from Non-Exchange Transactions	211,866	200,000	187,313
	<u>224,179</u>	<u>203,000</u>	<u>188,624</u>

9. Inventories

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Stationery	6,864	8,000	8,978
School Uniforms	46,279	40,000	45,074
	<u>53,143</u>	<u>48,000</u>	<u>54,052</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	251,859	200,000	751,851
Total Investments	<u>251,859</u>	<u>200,000</u>	<u>751,851</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	94,156	-	-	-	(17,860)	76,296
Furniture and Equipment	226,040	25,954	(942)	-	(34,780)	216,272
Information and Communication Technology	50,114	21,492	(864)	-	(24,059)	46,683
Playground	167,738	84,037	-	-	(40,605)	211,170
Leased Assets	20,958	57,729	(3,144)	-	(24,238)	51,305
Library Resources	20,472	8,031	(271)	-	(3,030)	25,202
Balance at 31 December 2022	<u>579,478</u>	<u>197,243</u>	<u>(5,221)</u>	<u>-</u>	<u>(144,572)</u>	<u>626,928</u>

The net carrying value of photocopiers held under a finance lease, included in the furniture and equipment is \$0 (2021: \$556)

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	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Building Improvements	920,383	(844,087)	76,296	920,383	(826,227)	94,156
Furniture and Equipment	622,017	(405,745)	216,272	640,167	(414,127)	226,040
Information and Communication Technology	153,641	(106,958)	46,683	150,304	(100,190)	50,114
Playground	517,124	(305,954)	211,170	433,087	(265,349)	167,738
Leased Assets	94,238	(42,933)	51,305	52,209	(31,251)	20,958
Library Resources	58,153	(32,951)	25,202	52,365	(31,893)	20,472
Balance at 31 December	2,365,556	(1,738,628)	626,928	2,248,515	(1,669,037)	579,478

12. Accounts Payable

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	28,848	30,000	34,474
Accruals	10,600	8,400	13,640
Banking Staffing Overuse	14,709	-	26,689
Employee Entitlements - Salaries	211,866	200,000	187,313
Employee Entitlements - Leave Accrual	2,730	5,000	7,402
	<u>268,753</u>	<u>243,400</u>	<u>269,518</u>
Payables for Exchange Transactions	268,753	243,400	269,518
	<u>268,753</u>	<u>243,400</u>	<u>269,518</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International Student Fees in Advance	21,739	10,000	38,043
Other revenue in Advance	12,548	5,000	18,756
	<u>34,287</u>	<u>15,000</u>	<u>56,799</u>

14. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	119,243	119,243	119,243
Increase to the Provision During the Year	-	12,000	-
Use of the Provision During the Year	(36,250)	(69,149)	-
Provision at the End of the Year	64,855	62,094	119,243
Cyclical Maintenance - Current	51,037	62,094	69,149
Cyclical Maintenance - Non current	13,134	-	50,094
	64,171	62,094	119,243

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 MOE Approved property expert's knowledge of the school and has been prepared and reviewed in the last 3 years

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	27,702	19,000	17,851
Later than One Year and no Later than Five Years	31,681	8,000	7,212
Later than Five Years	(4,811)	(2,000)	(1,499)
	54,572	25,000	23,564
Represented by			
Finance lease liability - Current	24,719	15,000	16,618
Finance lease liability - Non current	29,853	10,000	6,946
	54,572	25,000	23,564

16. 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 7.

	2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Astro Turf Courts 228206	<i>Completed</i>	4,264	-	(4,264)	-	-
Astro Turf Relocate Play 229006	<i>Completed</i>	23,302	8,073	(31,375)	-	-
ILE & Roofing Project 228475	<i>In Progress</i>	3,994	-	(580)	-	3,414
Creo 228207	<i>Completed</i>	138,880	28,841	(231,200)	63,479	-
Roof & Guttering 233160	<i>In Progress</i>	-	49,212	-	-	49,212
Room 18/19	<i>In Progress</i>	-	-	(12,950)	-	(12,950)
						-
Totals		170,440	86,126	(280,369)	63,479	39,676

Represented by:

Funds Held on Behalf of the Ministry of Education	52,626
Funds Receivable from the Ministry of Education	(12,950)

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Astro Turf Courts 228206	<i>In Progress</i>	-	86,589	(82,325)	-	4,264
Astro Turf Relocate Play 229006	<i>In Progress</i>	-	72,660	(49,358)	-	23,302
ILE & Roofing Project 228475	<i>In Progress</i>	4,572	36,461	(37,039)	-	3,994
Creo 228207	<i>In Progress</i>	-	138,880	-	-	138,880
Drinking Fountains 229022	<i>Completed</i>	(15,356)	16,306	(950)	-	-
Totals		(10,784)	350,896	(169,672)	-	170,440

Represented by:

Funds Held on Behalf of the Ministry of Education	170,440
Funds Receivable from the Ministry of Education	-

17. 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.

18. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	2,745	3,180
<i>Leadership Team</i>		
Remuneration	390,526	377,063
Full-time equivalent members	3	3
Total key management personnel remuneration	393,271	380,243

There are eight members of the Board excluding the Principal and Staff Representative. The Board had held eight full meetings of the Board in the year. The Board also has Finance (one member) that meets regularly. 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 issues and property matters.

Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	150 - 160
Benefits and Other Emoluments	25 - 30	25 - 30
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	1.00	2.00
110 - 120	2.00	1.00
	3.00	3.00

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

19. 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	-	-

20. 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.

21. Commitments

(a) Capital Commitments

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

- (a) \$594,834 contract for ILE and roofing works to be completed in 2023, which will be fully funded by the Ministry of Education. \$567,465 has been received of which \$564,051 has been spent on the project to date; and
- (b) \$56,594 contract for Roof and Gutter replacement to be completed in 2023, which will be fully funded by the Ministry of Education. \$49,212 has been received of which \$0 has been spent on the project to balance date; and
- (c) \$45,500 contract to Refurb Room 18/19 as agent for the Ministry of Education. The project is fully funded by the Ministry and \$0 has been received of which \$12,950 has been spent on the project to balance date.

(Capital commitments at 31 December 2021: \$947,275)

(b) Operating Commitments

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

- (a) operating lease of a EFTPOS Machine;
- (b) operating lease extension of IT Equipment

	2022 Actual \$	2021 Actual \$
No later than One Year	2,808	3,774
Later than One Year and No Later than Five Years	2,178	
	<u>4,986</u>	<u>3,774</u>

The total lease payments incurred during the period were \$3,602 (2021: \$12,750).

22. 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	456,304	99,109	271,298
Receivables	224,179	203,000	188,624
Investments - Term Deposits	251,859	200,000	751,851
Total Financial assets measured at amortised cost	932,342	502,109	1,211,773

Financial liabilities measured at amortised cost

Payables	268,753	243,400	269,518
Finance Leases	54,572	25,000	23,564
Total Financial Liabilities Measured at Amortised Cost	323,325	268,400	293,082

23. Events After Balance Date

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

Hauraki School
Kiwi Sport Funding 2022

Kiwi Sport funding of \$7,158.95 in 2022 was spent on providing all students with the opportunity to participate in a series of gymnastics tuition using outside expertise for all classes across the school totalling \$6723. 60. Money was also allocated to jump jam training of \$125, and a some to netball coaching.

Clarinda Franklin
Principal

HAURAKI SCHOOL

ANALYSIS OF VARIANCE 2022

Strategic Aim All students are able to access *The N.Z. Curriculum* as evidenced by achievement in relation to the National Curriculum.

Annual Objective: Improve areas of weakness and enhance areas of strength identified from the end of 2021 analysed literacy and numeracy data.

Please note that this Analysis of Variance compares end of 2021 data with end of 2022 data.

SPECIAL NEEDS

Target Group 1	Year 4 Writing Group (9 students)	Led By	Time Frame	Budget
Base Data	The nine students in this group were performing well below expectation at 1A st the beginning of 2022 based on the end of 2021 data.	Belinda	Terms 1 - 4	1.0 Teacher
Target Set	Overall aim was to accelerate these students so that they move two sub-levels and reach the expected curriculum level of 2P.			
Assessment Tool	E-astle writing, Schonell Spelling, overall teacher judgement.			
Action	These children were withdrawn from their class five days a week during writing time to work with our SENCO. Targeted teaching that focuses on individually identified needs was a priority.. Ongoing monitoring took place.			
Result	By the end of 2022 year, six of the nine students had achieved the goal of meeting curriculum expectation, 2P, and the other three had moved one sub-level and achieved 2B. One of these students was absent for two terms.			
Target Group 2	Year 5 Writing Group (11 students)			

Base Data	Two students were at 1A, and nine students were at 2B at the beginning of the year and therefore functioning below expectation.		Christine	Terms 1 - 4	.56 Teacher
Target Set	The overall aim was to accelerate the progress of these children and have all students achieving at curriculum expectation, 3B, by the year's end.				
Assessment Tool	asTTle, Schonell Spelling, PAT, overall teacher judgement.				
Action	These children were withdrawn from their class four days a week during writing time to work with an experienced specialist teacher. Ongoing monitoring took place.				
Results	Steady progress was made. One 1A special needs student moved one sub-level to 2B, and the other 1A student moved two sub-levels to 2P. Of the remaining nine students, six moved two sub-levels to 2A thereby achieving just below expectation. A further two students met curriculum expectation of 3B.				
	Year 6 Writing Group (6 students)				

Base Data	Two students were at 2B, and four students were at 2P at the beginning of the year and therefore functioning below expectation.			Christine	Terms 1 - 4	.56 Teacher
Target Set	The overall aim was to accelerate the progress of these children and have all students achieving at curriculum expectation, 3P, by the year's end.					
Assessment Tool	asTTle, Schonell Spelling, PAT, overall teacher judgement.					
Action	These children were withdrawn from their class four days a week during writing time to work with an experienced specialist teacher. Ongoing monitoring took place.					
Results	Steady progress was made. At the end of 2022, two students had moved to 2A, and the other four moved two sub-levels to 3B, a little below curriculum expectation.					

Target Group 4	Year 4 Maths Group (8 students)				
Base Data	At the beginning of the year, two students had an OTJ of 1P, five students were at 1A and one other was at 2B.			Belinda	Terms 1 - 4
Target Set	Overall aim was to accelerate these students so that they all meet the curriculum expectation of 2P or better by the end of the year.				
Assessment Tool	asTTle, Gloss, Ikan and PAT, overall teacher judgement.				
Action	These children were withdrawn from their class four days a week during maths time to work with a specialist teacher according to individually identified needs. Ongoing monitoring took place.				
Results	Of the two 1P students at the beginning of the year, one moved one sub-level to 1A, and the other moved three sub-levels to 2P. Of the six 1A students, one moved one sub-level only to 1A, and the other five moved two sub-levels to 2P meeting curriculum expectation. The 2B student also moved to 2P.				
Target Group 5	Year 5 Maths Group (10 students)				
Base Data	At the beginning of the year one student was well below expectation with 1A. Seven students were at 2B and two students were at 2P.			Christine	Terms 1 - 4
Target Set	Overall aim was to accelerate these students so that they were all achieving at least two sub-levels above their current level which is curriculum expectation.				
Assessment Tool	asTTle, Gloss, Ikan and PAT, overall teacher judgement.				
Action	These children were withdrawn from their class four days a week during maths time to work with a specialist teacher according to individually identified needs. Ongoing monitoring took place.				
Results	By the end of 2022, the 1A student had moved two sub-levels to 2P. Of the seven 2B students, one was still at 2B, two had moved one sub-level to 2P, and four students had moved 2A.				

	Of the two 2P students, one moved one sub-level to 2A, and the other moved two sub-levels to 3B thereby meeting curriculum expectation.			
	Year 6 Maths Group (8 students)			

Base Data	At the beginning of the year, three students were at 2B, one was at 2P, and four were at 2A, all below or well below expectation.	Christine	Terms 1 - 4	
Target Set	Overall aim was to accelerate these students so that they were all achieving at least at curriculum expectation.			
Assessment Tool	asTTle, Gloss, Ikan and PAT, overall teacher judgement.			
Action	These children were withdrawn from their class four days a week during maths time to work with a specialist teacher according to individually identified needs. Ongoing monitoring is to take place.			
Results	By the end of 2022, the three 2B students had all progressed, one had moved two sub-levels to 2A, another three sub-levels to 3B, and the other had moved four sub-levels. The 2P student moved two sub-levels to 3B. Of the four 2A students, two moved one sub-level to 3B, and the other two moved to 3P meeting curriculum expectation.			

HAURAKI SCHOOL

STATEMENT OF COMPLIANCE WITH EMPLOYMENT POLICY

For the year ended 31st December 2022

The Hauraki School Board:

- Has Developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identifies best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to the skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.

Independent Auditor's Report

To the Readers of Hauraki School's Financial Statements

For the Year Ended 31 December 2022

The Auditor-General is the auditor of Hauraki School (the School). The Auditor-General has appointed me, Darren Wright, using the staff and resources of William Buck Audit (NZ) Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18, that comprise the statement of financial position as at 31 December 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 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime.

Our audit was completed on 29 May 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.

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 arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included in the annual report being the Kiwisport Report, Members of the Board of Trustees and Analyses of Variance, 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.



Darren Wright
William Buck Audit (NZ) Limited
On behalf of the Auditor-General
Auckland, New Zealand