

HOWICK PRIMARY SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 1319

Principal: Michael Earl

School Address: 40 Willoughby Ave
Howick, Auckland 2014

School Phone: (09) 534 6082

School Email: m.earl@howickprimary.school.nz

Accountant / Service Provider: Canterbury Education Services (CES)



HOWICK PRIMARY SCHOOL

Annual Report - For the year ended 31 December 2022

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Howick Primary School

Members of the Board of Trustees

For the year ended 31 December 2022

Name	Position	How Position Gained	Term Expires
Nicola Kay	Presiding Member	Elected	Jun 2025
Hamish McCormick	Treasurer	Elected	Jun 2025
Lucy Du Chateau	Parent Representative	Elected	Jun 2025
Franchelle Barker	Parent Representative	Re-elected	Jun 2025
Callum Hey	Chairperson	Co-opted	Jun 2022
Michael Earl	Principal	Ex officio	
Leyette Callister	Principal	Ex officio	Oct 2022
Rian Swart	Parent Representative	Elected	Jun 2022
Anita Vaseegaran	Parent Representative	Co-opted	Jun 2022
Kristen Oliphant	Staff Representative	Re-elected	

Howick Primary 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.

Nicola Jane Kay

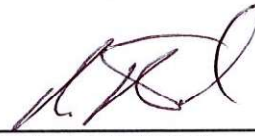
Full Name of Presiding Member

Michael William Earl

Full Name of Principal

NJKay.

Signature of Presiding Member



Signature of Principal

30/5/2023.

Date:

30/5/2023

Date:

Howick Primary 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	3,917,455	3,717,441	3,710,030
Locally Raised Funds	3	191,125	190,845	188,089
Interest Income		3,225	900	826
Total Revenue		4,111,805	3,909,186	3,898,945
Expenses				
Locally Raised Funds	3	60,247	82,445	76,263
Learning Resources	4	2,431,747	2,049,712	2,456,506
Administration	5	206,069	179,700	177,318
Finance		4,081	4,600	4,208
Property	6	1,341,557	1,590,354	1,117,407
		4,043,701	3,906,811	3,831,702
Net Surplus / (Deficit) for the year		68,104	2,375	67,243
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		68,104	2,375	67,243

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 Primary 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		473,159	474,533	405,916
Total comprehensive revenue and expense for the year		68,104	2,375	67,243
Contributions from the Ministry of Education				
Contribution - Te Mana Tuhono		21,001	-	-
Equity at 31 December		562,264	476,908	473,159
Accumulated comprehensive revenue and expense		562,264	476,908	473,159
Reserves		-	-	-
Equity at 31 December		562,264	476,908	473,159

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 Primary 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	297,712	197,021	234,380
Accounts Receivable	8	171,056	144,696	144,696
GST Receivable		5,420	-	-
Prepayments		12,377	14,043	14,044
Investments	9	54,580	-	54,051
Funds Receivable for Capital Works Projects	16	1,136	-	8,898
		<u>542,281</u>	<u>355,760</u>	<u>456,069</u>
Current Liabilities				
GST Payable		1,139	-	(595)
Accounts Payable	11	181,088	183,503	196,515
Revenue Received in Advance	12	17,799	-	16,687
Provision for Cyclical Maintenance	13	59,761	20,751	20,751
Finance Lease Liability	14	18,477	20,185	23,741
Funds held in Trust	15	11,436	-	8,438
Funds held for Capital Works Projects	16	58,815	-	-
Funds held on behalf of Attendance Project	17	15,088	-	96,796
		<u>363,603</u>	<u>224,439</u>	<u>362,333</u>
Working Capital Surplus/(Deficit)		178,678	131,321	93,734
Non-current Assets				
Property, Plant and Equipment	10	467,549	443,336	486,836
		<u>467,549</u>	<u>443,336</u>	<u>486,836</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	76,979	95,615	85,092
Finance Lease Liability	14	6,984	2,134	22,319
		<u>83,963</u>	<u>97,749</u>	<u>107,411</u>
Net Assets		<u>562,264</u>	<u>476,908</u>	<u>473,159</u>
Equity		<u>562,264</u>	<u>476,908</u>	<u>473,159</u>

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

Howick Primary 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		981,140	708,814	738,934
Locally Raised Funds		174,311	172,845	143,874
International Students		14,782	1,313	18,782
Goods and Services Tax (net)		(3,686)	595	(18,300)
Payments to Employees		(346,132)	(360,125)	(407,004)
Payments to Suppliers		(669,135)	(449,075)	(392,041)
Interest Paid		(4,081)	(4,600)	(4,208)
Interest Received		3,042	900	563
Net cash from/(to) Operating Activities		150,241	70,667	80,600
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(70,795)	(42,000)	(61,335)
Purchase of Investments		(529)	54,051	(255)
Net cash from/(to) Investing Activities		(71,324)	12,051	(61,590)
Cash flows from Financing Activities				
Finance Lease Payments		(24,454)	(23,741)	(23,148)
Funds Administered on Behalf of Third Parties		(12,132)	(96,336)	(105,092)
Net cash from/(to) Financing Activities		(15,585)	(120,077)	(128,240)
Net increase/(decrease) in cash and cash equivalents		63,332	(37,359)	(109,230)
Cash and cash equivalents at the beginning of the year	7	234,380	234,380	343,610
Cash and cash equivalents at the end of the year	7	297,712	197,021	234,380

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 Primary School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Howick Primary 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 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 14.

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) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

i) Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

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

Gains and losses on disposals (i.e. sold or given away) are determined by comparing the proceeds received with the carrying amounts (i.e. the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements	20 years
Board Owned Buildings	20 years
Furniture and equipment	10 years
Information and communication technology	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 students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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

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) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds, all income and expenditure related to the provision of the service is recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

q) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The school carries out painting maintenance of the whole school over a 7 to 15 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

r) Financial Instruments

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

The School's financial liabilities comprise accounts payable, 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.

s) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

t) 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.

u) 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	794,039	707,441	752,287
Teachers' Salaries Grants	1,892,467	1,660,000	1,856,319
Use of Land and Buildings Grants	1,046,792	1,350,000	943,110
MOE Funds for Attendance Project	184,157	-	158,314
	<u>3,917,455</u>	<u>3,717,441</u>	<u>3,710,030</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	37,139	41,500	40,719
Fees for Extra Curricular Activities	27,718	41,000	30,068
Trading	71,686	81,845	72,116
Fundraising & Community Grants	8,538	6,500	7,082
Other Revenue	34,914	2,000	4,017
International Student Fees	11,130	18,000	34,087
	<u>191,125</u>	<u>190,845</u>	<u>188,089</u>
Expenses			
Extra Curricular Activities Costs	21,477	41,000	35,220
Trading	37,346	37,345	37,346
Fundraising and Community Grant Costs	1,018	2,100	1,930
International Student - Other Expenses	406	2,000	1,767
	<u>60,247</u>	<u>82,445</u>	<u>76,263</u>
Surplus/ (Deficit) for the year Locally raised funds	<u>130,878</u>	<u>108,400</u>	<u>111,826</u>

During the year the School hosted 2 International students (2021:2)

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	66,092	67,270	51,641
Information and Communication Technology	7,434	6,000	5,777
Library Resources	4,532	4,350	5,934
Employee Benefits - Salaries	2,065,394	1,836,619	2,086,183
Staff Development	8,201	44,973	62,743
Costs of Attendance Project			
Employee Benefits Salaries	136,174	-	112,486
Administration	29,417	-	17,209
Travel	16,714	-	428
Other Expenses	1,852	-	28,191
	<u>2,431,747</u>	<u>2,049,712</u>	<u>2,456,506</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	7,383	7,708	6,507
Board Fees	4,455	4,455	3,645
Board Expenses	14,982	11,200	2,811
Communication	15,859	6,000	2,878
Consumables	8,962	7,750	8,585
Operating Lease	1,793	1,660	1,651
Other	21,888	28,300	32,400
Employee Benefits - Salaries	105,675	82,867	98,395
Insurance	1,691	5,900	5,607
Service Providers, Contractors and Consultancy	23,381	23,860	14,839
	206,069	179,700	177,318

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	15,620	17,550	18,479
Consultancy and Contract Services	43,264	35,076	42,114
Cyclical Maintenance Provision	97,047	31,274	(25,819)
Grounds	262	1,500	-
Heat, Light and Water	22,875	15,200	13,017
Repairs and Maintenance	40,529	30,865	32,848
Use of Land and Buildings	1,046,792	1,350,000	943,110
Security	12,183	8,250	10,497
Employee Benefits - Salaries	62,985	100,639	83,161
	1,341,557	1,590,354	1,117,407

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	147,397	197,021	234,380
Cash and cash equivalents for Statement of Cash Flows	297,712	197,021	234,380

Of the \$147,397 Cash and Cash Equivalents, \$58,815 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 \$147,397 Cash and Cash Equivalents, \$2,944 of unspent MOE grant funding is held by the School for 2023 costs.

Of the \$147,397 Cash and Cash Equivalents, \$15,088 is held by the School on behalf of the Attendance Project cluster. See note 17 for details of how the funding received for the cluster has been spent in the year.

8. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Receivables	20,200	20,000	20,000
Interest Receivable	512	329	329
Teacher Salaries Grant Receivable	150,344	124,367	124,367
	<u>171,056</u>	<u>144,696</u>	<u>144,696</u>
Receivables from Exchange Transactions	20,712	20,329	20,329
Receivables from Non-Exchange Transactions	150,344	124,367	124,367
	<u>171,056</u>	<u>144,696</u>	<u>144,696</u>

9. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	54,580	-	54,051
	<u>54,580</u>	<u>-</u>	<u>54,051</u>
Total Investments	<u>54,580</u>	<u>-</u>	<u>54,051</u>

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Buildings	71,966				(4,233)	67,733
Building Improvements	163,017				(7,666)	155,351
Furniture and Equipment	122,834	24,380			(18,749)	128,465
Information and Communication Technology	70,734	24,539			(39,246)	56,027
Leased Assets	42,525	3,855			(23,759)	22,621
Library Resources	15,760	2,875			(2,284)	16,351
Balance at 31 December 2022	<u>486,836</u>	<u>55,649</u>	<u>-</u>	<u>-</u>	<u>(95,937)</u>	<u>446,548</u>

The net carrying value of equipment held under a finance lease is \$22,621 (2021: \$42,525) made up of \$4,895 Furniture and Equipment and \$17,726 Information and Communication Technology equipment.

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
	\$	\$	\$	\$	\$	\$
Buildings	84,666	(16,933)	67,733	84,666	(12,700)	71,966
Building Improvements	214,146	(58,795)	155,351	214,146	(51,129)	163,017
Furniture and Equipment	388,058	(238,592)	149,466	342,677	(219,843)	122,834
Information and Communication Technology	185,620	(129,593)	56,027	161,080	(90,346)	70,734
Leased Assets	96,692	(74,071)	22,621	92,837	(50,312)	42,525
Library Resources	72,074	(55,723)	16,351	69,199	(53,439)	15,760
Balance at 31 December	1,041,256	(573,707)	467,549	964,605	(477,769)	486,836

11. Accounts Payable

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Creditors	18,241	49,796	49,795
Accruals	7,708	-	13,013
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	150,344	124,367	124,367
Employee Entitlements - Leave Accrual	4,795	9,340	9,340
	181,088	183,503	196,515
Payables for Exchange Transactions	181,088	183,503	196,515
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)			
Payables for Non-exchange Transactions - Other			
	181,088	183,503	196,515

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Grants in Advance - Ministry of Education	2,944	-	-
International Student Fees in Advance	13,043	-	9,391
Other revenue in Advance	1,812	-	7,296
	17,799	-	16,687

13. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	105,843	105,843	159,749
Increase to the Provision During the Year	97,047	31,274	(25,819)
Use of the Provision During the Year	(66,150)	(20,751)	(28,087)
Provision at the End of the Year	<u>136,740</u>	<u>116,366</u>	<u>105,843</u>
Cyclical Maintenance - Current	59,761	20,751	20,751
Cyclical Maintenance - Non current	76,979	95,615	85,092
	<u>136,740</u>	<u>116,366</u>	<u>105,843</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. 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	20,755	20,019	26,589
Later than One Year and no Later than Five Years	6,371	3,300	23,619
Future Finance Charges	(1,665)	(1,000)	(4,149)
	<u>25,461</u>	<u>22,319</u>	<u>46,059</u>
Represented by			
Finance lease liability - Current	18,477	20,185	23,741
Finance lease liability - Non current	6,984	2,134	22,318
	<u>25,461</u>	<u>22,319</u>	<u>46,059</u>

15. Funds held in Trust

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	11,436	-	8,438
	<u>11,436</u>	<u>-</u>	<u>8,438</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.

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
		\$	\$	\$	\$	\$
MOE 5YA Project - Block 1 Window/Door Replace		-	10,223	(11,359)	-	(1,136)
MOE SIP Project - New Sports Shed		(8,898)	8,898	-	-	-
MOE SIP Project - New Courtyard Area		-	36,000	-	-	36,000
MOE - AMS Combined ILE/DQLS						
Toilet & Elec Upgrade		-	41,493	(18,678)		22,815
MOE Water Leak Repair		-	20,864	(20,864)	-	-
Totals		(8,898)	117,478	(50,901)	-	57,679

Represented by:

Funds Held on Behalf of the Ministry of Education	58,815
Funds Receivable from the Ministry of Education	(1,136)

	2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
MOE 5YA Project - Walls Upgrade		-	58,655	(58,655)	-	-
MOE 5YA Project - Flooring Replacement		-	44,222	(44,222)	-	-
MOE - LSC Office		-	75,924	(75,924)	-	-
MOE SIP Project - Middle Turf		27,363	4,167	(31,530)	-	-
MOE SIP Project - New Sports Shed		(1,329)	70,731	(78,300)	-	(8,898)
Totals		26,034	253,699	(288,631)	-	(8,898)

17. Funds Held on Behalf of Attendance Project

Howick Primary School is the lead school funded by the Ministry of Education to provide the services of the Attendance Project to its cluster of schools."

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held at Beginning of the Year	96,796		175,371
Funds Received from MoE	102,449		79,739
Total funds available	199,245	-	255,110
Funds Spent on Behalf of the Cluster			
Employee Benefit - Salaries	136,174		112,486
Administration	29,417		17,209
Travel	16,714		428
Other Expenses	1,852		28,191
	184,157	-	158,314
Funds remaining	15,088	-	96,796
Funds Held at Year End	15,088	-	96,796

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.

The School charged HPMA Trust with salary costs for staff paid through the school payroll. Callum Hey was a board member of both the School and HPMA Trust. The amount charged by the school was based on actual payroll information.

19. 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	4,455	3,645
<i>Leadership Team</i>		
Remuneration	412,842	409,985
Full-time equivalent members	3	3
Total key management personnel remuneration	417,297	413,630

There are six members of the Board excluding the Principal. The Board had held ten full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	170 - 180
Benefits and Other Emoluments	3 - 4	4 - 5
Termination Benefits	-	-

Principal 2

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	41,317	-
Benefits and Other Emoluments	1 - 2	-
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	3	1
110 - 120	-	-
120 - 130	1	1
	4	2

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	2021
	Actual	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.

22. Commitments

(a) Capital Commitments

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

(a) contract for Block 1 Window/Door Replacement as agent for the Ministry of Education. \$10,223 has been received of which \$11,359 was spent on the project during 2022; and

(b) contract for New Courtyard Area as agent for the Ministry of Education. \$36,000 has been received which remains the balance at the end of 2022; and

(c) contract for Toilet and Electrical Upgrade as agent for the Ministry of Education. \$41,493 has been received of which \$18,678 was spent on the project during 2022; and

(b) contract for Water Leak Repair as agent for the Ministry of Education. \$20,864 has been received of which \$20,864 was spent on the project during 2022.

(Capital commitments at 31 December 2021: \$8,898 owing from the Ministry)

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	297,712	197,021	234,380
Receivables	171,056	144,696	144,696
Investments - Term Deposits	54,580	-	54,051
Total Financial assets measured at amortised cost	<u>523,348</u>	<u>341,717</u>	<u>433,127</u>

Financial liabilities measured at amortised cost

Payables	181,088	183,503	196,515
Finance Leases	25,461	22,319	46,060
Total Financial Liabilities Measured at Amortised Cost	<u>206,549</u>	<u>205,822</u>	<u>242,575</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.