

HAUTAPU SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 1735

Principal: Tracey Bennett

School Address: 5 Hana Lane Cambridge

School Postal Address: 5 Hana Lane RD1 Cambridge 2494

School Phone: 07-8277466

School Email: principal@hautapu.school.nz

Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Rosanna Dickson	Presiding Member	Elected	Dec-25
Tracey Bennett	Principal ex Officio		
Frank Spence	Parent Representative	Elected	Dec-25
Charlotte Quinn	Parent Representative	Elected	Dec-25
Andrew Bigham	Parent Representative	Elected	Dec-25
Amy Gibbs	Parent Representative	Elected	Dec-25
Hayley McGovern	Parent Representative	Elected	Dec-25
Belinda Hoebergen	Staff Representative	Appointed	Dec-25

Accountant / Service Provider: SRN Partners Chartered Accountants Ltd

HAUTAPU SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Statement of Responsibility

For the year ended 31 December 2023

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 2023 fairly reflects the financial position and operations of the school.

The School's 2023 financial statements are authorised for issue by the Board.

Rosanna Dickson

Full Name of Presiding Member



Signature of Presiding Member

27th June 2024

Date:

Tracey Bennett

Full Name of Principal



Signature of Principal

27th June 2024

Date:

Hautapu School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue				
Government Grants	2	1,954,687	1,741,741	1,781,744
Locally Raised Funds	3	95,064	39,400	97,874
Interest		11,123	3,000	4,784
Total Revenue		2,060,874	1,784,141	1,884,402
Expense				
Locally Raised Funds	3	52,450	1,000	52,058
Learning Resources	4	1,426,899	1,269,376	1,303,125
Administration	5	113,544	105,200	114,845
Interest		1,544	-	1,219
Property	6	523,339	423,865	452,381
Loss on Disposal of Property, Plant and Equipment		-	-	1,074
Total Expense		2,117,776	1,799,441	1,924,702
Net Surplus / (Deficit) for the year		(56,902)	(15,300)	(40,300)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(56,902)	(15,300)	(40,300)

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

Hautapu School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January		600,454	600,454	632,399
Total comprehensive revenue and expense for the year		(56,902)	(15,300)	(40,300)
Contribution - Te Mana Tuhono		22,838	-	-
Contribution - Furniture and Equipment Grant		13,869	13,000	8,355
Equity at 31 December		580,259	598,154	600,454
Accumulated comprehensive revenue and expense		580,259	598,154	600,454
Reserves		-	-	-
Equity at 31 December		580,259	598,154	600,454

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.

Hautapu School

Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	7	34,522	5,754	49,500
Accounts Receivable	8	109,227	108,600	85,592
GST Receivable		3,761	3,500	3,069
Investments	9	180,254	180,000	178,148
Funds Receivable for Capital Works Projects	14	11,483	-	-
		339,247	297,854	316,309
Current Liabilities				
Accounts Payable	11	147,624	118,700	117,631
Provision for Cyclical Maintenance	12	11,282	11,000	30,269
Finance Lease Liability	13	6,916	6,500	5,885
		165,822	136,200	153,785
Working Capital Surplus/(Deficit)		173,425	161,654	162,524
Non-current Assets				
Property, Plant and Equipment	10	480,534	509,000	482,735
		480,534	509,000	482,735
Non-current Liabilities				
Provision for Cyclical Maintenance	12	66,042	65,000	33,669
Finance Lease Liability	13	7,658	7,500	11,136
		73,700	72,500	44,805
Net Assets		580,259	598,154	600,454
Equity		580,259	598,154	600,454

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

Hautapu School

Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash flows from Operating Activities				
Government Grants		415,709	380,704	381,413
Locally Raised Funds		95,064	39,400	98,866
Goods and Services Tax (net)		(692)	(170)	8,560
Payments to Employees		(268,145)	(208,300)	(244,208)
Payments to Suppliers		(243,332)	(196,350)	(207,694)
Interest Paid		(1,544)	-	(1,219)
Interest Received		10,054	1,900	3,261
Net cash from/(to) Operating Activities		7,114	17,184	38,979
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(50,526)	(48,000)	(29,622)
Purchase of Investments		(2,106)	(10,000)	(925)
Net cash from/(to) Investing Activities		(52,632)	(58,000)	(30,547)
Cash flows from Financing Activities				
Furniture and Equipment Grant		13,869	13,000	8,355
Finance Lease Payments		(6,167)	(3,000)	316
Funds Administered on Behalf of Other Parties		-	-	2,795
Net cash from/(to) Financing Activities		30,540	10,000	11,466
Net increase/(decrease) in cash and cash equivalents		(14,978)	(30,816)	19,898
Cash and cash equivalents at the beginning of the year	7	49,500	36,570	29,602
Cash and cash equivalents at the end of the year	7	34,522	5,754	49,500

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, use of land and buildings grant and expense and other notional items 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.

Hautapu School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

Hautapu 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 2023 to 31 December 2023 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 12.

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. E103Property, 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 13. Future operating lease commitments are disclosed in note 19.

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) 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.

e) 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.

f) 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.

g) 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 material.

h) 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	10–40 years
Furniture and equipment	5–15 years
Information and communication technology	4 years
Textbooks	12.5% Diminishing Value
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

i) 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.

j) 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 and annual leave earned, by non teaching staff, but not yet taken at balance date.

k) 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 Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

l) 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 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.

m) 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.

n) 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.

o) 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.

p) Budget Figures

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

x) 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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
Government Grants - Ministry of Education	\$ 422,451	\$ 373,650	\$ 381,413
Teachers' Salaries Grants	1,136,255	1,071,876	1,075,820
Use of Land and Buildings Grants	395,981	296,215	324,511
	<u>1,954,687</u>	<u>1,741,741</u>	<u>1,781,744</u>

3. Locally Raised Funds

Local funds raised within the School's community are made up of:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
Revenue	\$	\$	\$
Donations & Bequests	3,008	2,500	7,647
Fees for Extra Curricular Activities	71,041	25,900	77,239
Trading	3,067	-	2,341
Other Revenue	17,948	11,000	10,647
	<u>95,064</u>	<u>39,400</u>	<u>97,874</u>
Expense			
Extra Curricular Activities Costs	49,011	1,000	48,792
Trading	3,439	-	3,266
	<u>52,450</u>	<u>1,000</u>	<u>52,058</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>42,614</u>	<u>38,400</u>	<u>45,816</u>

4. Learning Resources

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
Curricular	\$ 33,753	\$ 33,050	\$ 28,645
Information and Communication Technology	11,126	15,100	13,313
Library Resources	2,152	2,600	2,418
Employee Benefits - Salaries	1,315,643	1,178,426	1,189,297
Staff Development	7,778	15,200	11,966
Depreciation	56,447	25,000	57,486
	<u>1,426,899</u>	<u>1,269,376</u>	<u>1,303,125</u>

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	3,929	3,800	3,844
Board Fees	2,525	3,000	3,075
Board Expenses	4,683	3,000	3,835
Communication	2,858	3,200	3,344
Consumables	16,231	16,850	9,098
Operating Leases	3,490	5,000	3,677
Other	255	2,100	274
Employee Benefits - Salaries	66,179	60,750	78,845
Insurance	5,924	3,500	3,103
Service Providers, Contractors and Consultancy	7,470	4,000	5,750
	<u>113,544</u>	<u>105,200</u>	<u>114,845</u>

6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	9,852	9,400	9,643
Cyclical Maintenance	13,386	11,000	14,060
Grounds	22,161	19,200	18,403
Heat, Light and Water	23,863	24,000	21,675
Repairs and Maintenance	11,188	14,250	15,167
Use of Land and Buildings	395,981	296,215	324,511
Security	2,320	1,800	1,367
Employee Benefits - Salaries	44,588	48,000	47,555
	<u>523,339</u>	<u>423,865</u>	<u>452,381</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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Bank Accounts	34,522	5,754	49,500
Cash and cash equivalents for Statement of Cash Flows	<u>34,522</u>	<u>5,754</u>	<u>49,500</u>

8. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables from the Ministry of Education	6,742	6,500	-
Interest Receivable	3,119	3,100	2,050
Teacher Salaries Grant Receivable	99,366	99,000	83,542
	<u>109,227</u>	<u>108,600</u>	<u>85,592</u>
Receivables from Exchange Transactions	3,119	3,100	2,050
Receivables from Non-Exchange Transactions	106,108	105,500	83,542
	<u>109,227</u>	<u>108,600</u>	<u>85,592</u>

9. Investments

The School's investment activities are classified as follows:

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Asset			
Short-term Bank Deposits	180,254	180,000	178,148
Total Investments	<u>180,254</u>	<u>180,000</u>	<u>178,148</u>

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Buildings	326,153	-	-	-	(13,147)	313,006
Furniture and Equipment	93,786	27,687	-	-	(22,848)	98,625
Information and Communication Technology	30,727	22,838	-	-	(11,367)	42,198
Textbooks	7,295	-	-	-	(913)	6,382
Leased Assets	16,129	3,721	-	-	(7,090)	12,760
Library Resources	8,645	-	-	-	(1,082)	7,563
Balance at 31 December 2023	482,735	54,246	-	-	(56,447)	480,534

The net carrying value of furniture and equipment held under a finance lease is \$12,760 (2022: \$16,129)

Restrictions

With the exception of the contractual restrictions related to the above noted finance leases, 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.

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	623,068	(310,062)	313,006	623,068	(296,915)	326,153
Furniture and Equipment	399,264	(300,639)	98,625	371,577	(277,791)	93,786
Information and Communication Technology	209,370	(167,172)	42,198	186,532	(155,805)	30,727
Textbooks	13,255	(6,873)	6,382	13,255	(5,960)	7,295
Leased Assets	53,025	(40,265)	12,760	49,304	(33,175)	16,129
Library Resources	38,228	(30,665)	7,563	38,228	(29,583)	8,645
Balance at 31 December 2023	1,336,210	(855,676)	480,534	1,281,964	(799,229)	482,735

11. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	17,078	3,500	26,167
Accruals	7,715	7,700	6,467
Banking Staffing Overuse	6,616	6,500	-
Employee Entitlements - Salaries	113,922	99,000	83,542
Employee Entitlements - Leave Accrual	2,293	2,000	1,455
	147,624	118,700	117,631
Payables for Exchange Transactions	139,909	111,000	111,164
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	7,715	7,700	6,467
	147,624	118,700	117,631

The carrying value of payables approximates their fair value.

12. Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Provision at the Start of the Year	63,938	58,000	50,878
Increase to the Provision During the Year	13,386	18,000	14,060
Use of the Provision During the Year	-	-	(1,000)
Provision at the End of the Year	<u>77,324</u>	<u>76,000</u>	<u>63,938</u>
Cyclical Maintenance - Current	11,282	11,000	30,269
Cyclical Maintenance - Non current	66,042	65,000	33,669
	<u>77,324</u>	<u>76,000</u>	<u>63,938</u>

13. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
No Later than One Year	8,002	7,800	7,252
Later than One Year and no Later than Five Years	8,394	8,000	12,502
Future Finance Charges	(1,822)	(1,800)	(2,733)
	<u>14,574</u>	<u>14,000</u>	<u>17,021</u>
Represented by			
Finance lease liability - Current	6,916	6,500	5,885
Finance lease liability - Non current	7,658	7,500	11,136
	<u>14,574</u>	<u>14,000</u>	<u>17,021</u>

14. 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.

	2023	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block A & B	236,522	-	-	(11,483)	-	(11,483)
Totals		-	-	(11,483)	-	(11,483)

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	(11,483)

	2022	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block A & Block B	224002	(11,158)	11,158	-	-	-
Playground	224001	2,030	-	(2,030)	-	-
Block N Hotwater Cylinder	224238	4,441	-	(4,441)	-	-
Block D Kiwi House Upgrade	219,085	1,892	-	(1,892)	-	-
Totals		(2,795)	11,158	(8,363)	-	-

15. 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.

16. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i> Remuneration	2,525	3,075
<i>Leadership Team</i> Remuneration Full-time equivalent members	470,930 4	437,789 4
Total key management personnel remuneration	473,455	440,864

There are 7 members of the Board excluding the Principal. The Board has held 8 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

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	130 - 140
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	-	-
	Remuneration	2023
	\$000	FTE Number
	100 - 110	4
	110 - 120	1
	5	3

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

17. 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:

	2023 Actual	2022 Actual
Total Number of People	-	-

18. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2023 (Contingent liabilities and assets at 31 December 2022: 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 continues to review the Schools Sector Payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise calculations and the potential impacts of specific individuals, as such, this is expected to resolve the liability for school boards.

Pay equity settlement wash-up amounts

In 2023 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. The school is yet to receive a final wash-up that adjusts the estimated quarterly instalments for the actual eligible staff members employed in 2023. The Ministry is in the process of determining wash-up payments or receipts for the year ended 31 December 2023. However, as at the reporting date, this amount had not been calculated and therefore is not recorded in these financial statements.

19. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$11,483 (2022:\$Nil) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Block A & B	417,450	11,483	405,967
Total	417,450	11,483	405,967

(b) Operating Commitments

As at 31 December 2023, there are no operating commitments (2022 Nil)

20. 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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Cash and Cash Equivalents	34,522	5,754	49,500
Receivables	109,227	108,600	85,592
Investments - Term Deposits	180,254	180,000	178,148
Total financial assets measured at amortised cost	324,003	294,354	313,240

Financial liabilities measured at amortised cost

Payables	147,624	118,700	117,631
Finance Leases	14,574	14,000	17,021
Total financial liabilities measured at amortised cost	162,198	132,700	134,652

21. Events After Balance Date

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

22. Comparatives

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

23. Breach of Law - Failure to comply with section 135 of the Education and Training Act 2020

While the school provided all information to the accountant in sufficient time for the annual financial statements to be submitted for audit by the 31st March, the accountant was unable to meet the reporting deadline due to a combination of understaffing and staff illness. Accordingly the accountant accepts the responsibility for this legislation.

24. Breach of Law - Failure to meet statutory reporting deadline

The Board of Trustees did not comply with section 137 of the Education and Training Act in that it did not submit its audited annual financial statements for audit by 31 May 2024



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF HAUTAPU SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Hautapu School (the School). The Auditor-General has appointed me, Johann van Loggerenberg, using the staff and resources of PKF Hamilton Audit Ltd, 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 2023, 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 2023; 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 Public Sector – Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 27 June 2024. 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 arise from section 134 of the Education and Training Act 2020.

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 is responsible for the other information. The other information comprises the information included on pages 1, 22 to 25, 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 (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the School.

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

Johann van Loggerenberg
PKF Hamilton Audit Ltd
On behalf of the Auditor-General
Hamilton, New Zealand



HAUTAPU S C H O O L

Annual Report 2023

Statement of variance: progress against targets

[W Internal Evaluation of Charter and Strategic Aims 2023.docx](#)

Evaluation and analysis of the school's students' progress and achievement

[Annual Report Mathematics Data 2023](#)

[Annual Report Reading Data 2023](#)

[Annual Report Writing Data 2023](#)

How we have given effect to Te Tiriti o Waitangi

Refer to Strategic Aims - internal evaluation

Statement of compliance with employment policy

Employer Responsibility Policy

Hautapu School board acts as a good employer and takes all reasonable steps to build working relationships based on trust, confidence, and good faith. The board treats employees fairly and properly in all aspects of their employment as required by the Public Service Act 2020, and complies with legislation on employment and personnel matters. The board complies with the conditions contained in employment contracts for teaching and non-teaching staff.

The board ensures strong leadership by recognising the principal as the school's educational leader, the chief executive, and an employee of the board. The board:

- appoints the principal, through the **appointment committee**
- **appraises the principal**
- works transparently and positively with the principal
- ensures delegations to the principal are robust and regularly reviewed.

The board meets reporting and administrative requirements by:

- referring to the school's **Equal Employment Opportunities** policy in its annual report on the extent of its compliance as a good employer
- ensuring that systems are in place for keeping **employee files** safe and secure.

Support for school employees

The board:

- takes all steps, so far as is reasonably practicable, to meet its **primary duty of care** obligations to ensure good and safe working conditions for employees and responds to all reasonable concerns and requests made by employees
- considers staff **health and wellbeing (hauora)** and work-life balance, and will consider applications for **flexible working arrangements**
- ensures that all employees maintain proper standards of **integrity and conduct**, and a concern for the **safety and wellbeing of students, colleagues**, and public interest
- promotes high levels of staff performance through:
 - **performance management** and **professional development** (including budgeting for training and development programmes intended to enhance the abilities of individual employees)
 - acknowledgement of staff achievements
 - **salary units** and **classroom release time**.
- deals effectively and fairly with any concerns through the **concerns and complaints** and **protected disclosure** procedures.

Recruitment and appointments

The board may delegate the recruitment and appointment process to the principal and senior management, and may be represented in appointment committees. For the specific make up of appointment committees according to positions, see **Appointment Committee**. The board and delegate(s) endeavour to appoint appropriately trained and qualified staff to all teaching and non-teaching positions, and to find the best person for the position.

Financial statements

📄 2023-Hautapu MOE.pdf

Report on other special and contestable funding

Hautapu School has not been the recipient of additional government funding for specific purposes.

Kiwisport funding

Kiwisport is a Government funded initiative to support students' participation in organised sport. In 2023, Hautapu School received total Kiwisport funding of \$2798.16 (excluding GST). The funding was spent on sports equipment for the school and other sporting opportunities for the students

Hautapu School

Kiwisport Statement

For the Year Ended 31 December 2023

Kiwisport is a Government funded initiative to support students' participation in organised sport.

In 2023 the school received Kiwisport funding of \$2,974 (2022:\$3,095).

The funding was spent on sports equipment for the school and other sporting opportunities for the students.