



Annual Report

TE PUNA WAI O WAIPAPA - HAGLEY COLLEGE
FOR THE YEAR ENDED 31 DECEMBER 2022

TE PUNA WAI O WAIPAPA - HAGLEY COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	336
Principal:	Rowan Milburn
School Address:	510 Hagley Ave, Christchurch 8011
School Postal Address:	PO Box 3084, Christchurch 8140
School Phone:	(03) 3793090
School Email:	infor@Hagley.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Melanie Morris	Presiding Member	Elected	October 2026
Rowan Milburn	Principal ex Officio		
Paul Ballantine	Parent Representative	Elected	October 2026
Philippa Weir	Parent Representative	Elected	October 2026
Zelda Yates	Parent Representative	Elected	October 2026
Bee Williamson	Parent Representative	Elected	October 2026
Zyon Taukamo	Student Representative	Elected	September 2022
Lilly Anderson	Student Representative	Elected	October 2023
Suzanne Waters	Staff Representative	Elected	September 2023

TE PUNA WAI O WAIPAPA - HAGLEY COLLEGE

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Te Puna Wai o Waipapa - Hagley College

Statement of Responsibility

For the year ended 31 December 2022

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the school.

The School's 2022 financial statements are authorised for issue by the Board.



Full Name of Presiding Member

melanie clare morris

Signature of Presiding Member

23/6/2023

Date:



Full Name of Principal

Rona Claire Milburn

Signature of Principal

23/6/2023

Date:

Te Puna Wai o Waipapa - Hagley College

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	18,959,146	18,670,881	18,422,213
Locally Raised Funds	3	591,198	691,450	706,229
Interest Income		97,755	16,000	41,449
Gain on Sale of Property, Plant and Equipment		-	-	1,348
Total Revenue		19,648,099	19,378,331	19,171,239
Expenses				
Locally Raised Funds	3	282,055	300,000	300,464
Learning Resources	4	15,110,353	14,825,081	14,967,387
Administration	5	1,704,230	1,593,667	1,503,010
Finance		7,734	7,500	7,165
Property	6	2,808,945	2,698,337	2,468,182
Loss on Disposal of Property, Plant and Equipment		598	-	3,260
		19,913,915	19,424,585	19,249,468
Net Surplus / (Deficit) for the year		(265,816)	(46,254)	(78,229)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(265,816)	(46,254)	(78,229)

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

Te Puna Wai o Waipapa - Hagley College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Restated Actual \$
Equity at 1 January		5,654,276	5,654,276	5,732,505
Total comprehensive revenue and expense for the year		(265,816)	(46,254)	(78,229)
Contributions from the Ministry of Education		-	-	-
Contribution - Furniture and Equipment Grant		-	-	-
Equity at 31 December (1)		5,388,460	5,608,022	5,654,276
Accumulated comprehensive revenue and expense		5,388,460	5,608,022	5,654,276
Reserves		-	-	-
Equity at 31 December (1)		5,388,460	5,608,022	5,654,276

(1) Equity for the year ended 31 December 2021 has been restated. For details relating to the restatement please refer to note 25

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.

Te Puna Wai o Waipapa - Hagley College

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Restated Actual \$
Current Assets				
Cash and Cash Equivalents	7	36,354	38,500	73,419
Accounts Receivable	8	994,291	904,000	1,008,060
GST Receivable		91,152	90,000	32,229
Prepayments		41,005	-	1,274
Inventories	9	3,789	4,000	3,938
Investments	10	3,083,000	2,900,000	4,025,000
		4,249,591	3,936,500	5,143,920
Current Liabilities				
Accounts Payable (1)	12	1,397,502	1,152,478	1,365,575
Revenue Received in Advance	13	260,448	-	174,683
Finance Lease Liability	14	94,222	94,000	85,960
Funds held in Trust	15	173,852	157,000	12,528
Funds held on behalf of Kahui Ako Te Taura Here o Otautahi	17	113,849	-	226,231
		2,039,873	1,403,478	1,864,977
Working Capital Surplus/(Deficit)		2,209,718	2,533,022	3,278,943
Non-current Assets				
Property, Plant and Equipment (2)	11	3,219,108	3,100,000	2,545,288
		3,219,108	3,100,000	2,545,288
Non-current Liabilities				
Finance Lease Liability	14	40,366	25,000	31,645
Funds held in Trust	15	-	-	138,310
		40,366	25,000	169,955
Net Assets		5,388,460	5,608,022	5,654,276
Equity (3)		5,388,460	5,608,022	5,654,276

(1) Accounts Payable for the year ended 31 December 2021 has been restated. For details to the restatement please refer to note 25.

(2) Property, Plant and Equipment for the year ended 31 December 2021 has been restated. For details to the restatement please refer to note 25.

(3) Equity for the year ended 31 December 2021 has been restated. For details relating to the restatement please refer to note 25.

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

Te Puna Wai o Waipapa - Hagley College

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		6,072,310	6,069,802	5,478,930
Locally Raised Funds		627,944	527,307	884,591
International Students		5,639	-	-
Goods and Services Tax (net)		(58,923)	(57,771)	(12,736)
Payments to Employees		(3,821,866)	(3,664,920)	(3,455,216)
Payments to Suppliers		(2,654,105)	(2,789,449)	(2,628,060)
Interest Paid		(7,734)	(7,500)	(7,165)
Interest Received		94,328	30,998	47,233
Net cash from/(to) Operating Activities		257,593	108,467	307,577
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(598)	(85,094)	(1,912)
Purchase of Property Plant & Equipment (and Intangibles)		(1,126,892)	(939,160)	(387,715)
Proceeds from Purchase/Sale of Investments		942,000	1,125,000	(1,380,000)
Net cash from/(to) Investing Activities		(185,490)	100,746	(1,769,627)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	-
Finance Lease Payments		(19,800)	(24,063)	(37,093)
Funds Administered on Behalf of Third Parties		(89,368)	(220,069)	77,111
Net cash from/(to) Financing Activities		(109,168)	(244,132)	40,018
Net increase/(decrease) in cash and cash equivalents		(37,065)	(34,919)	(1,422,032)
Cash and cash equivalents at the beginning of the year	7	73,419	73,419	1,495,451
Cash and cash equivalents at the end of the year	7	36,354	38,500	73,419

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.

Te Puna Wai o Waipapa - Hagley College

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial Reporting Standards Applied

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as 'having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders'.

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expense threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 14. Future operating lease commitments are disclosed in note 21b.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives.

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Other Ministry Grants for directly funded programs are recorded as revenue when the School has the rights to the funding in the period they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

Other Grants where conditions exist

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

Interest Revenue

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

h) Inventories

Inventories are consumable items held for sale and comprised of cafeteria products. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown owned assets	10 years
Board Owned Buildings	40-50 years
Furniture and equipment	5-10 years
Information and communication technology	2-5 years
Motor vehicles	5 years
Artworks	100 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

k) Impairment of property, plant, and equipment

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 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.

l) 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.

m) 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.

n) 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.

o) 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.

p) 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.

q) 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 Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTLB programme), all income and expenditure related to the provision of the service is recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

r) 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.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

The School's financial liabilities comprise accounts payable and finance lease 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) 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.

t) 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	5,153,515	5,125,480	4,405,814
Teachers' Salaries Grants	11,574,585	11,200,000	11,692,586
Use of Land and Buildings Grants	1,361,952	1,400,000	1,059,040
Other Government Grants	869,094	945,401	1,264,773
	<u>18,959,146</u>	<u>18,670,881</u>	<u>18,422,213</u>

The school has opted in to the donations scheme for this year. Total amount received was \$142,650.

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	9,912	5,000	10,184
Curriculum related Activities - Purchase of goods and services	111,314	110,950	158,215
Café	215,232	260,000	231,110
Fundraising & Community Grants	7,639	31,000	22,400
Other Revenue	247,101	284,500	284,320
	<u>591,198</u>	<u>691,450</u>	<u>706,229</u>
Expenses			
Café	278,837	294,000	292,646
Fundraising and Community Grant Costs	3,218	6,000	7,588
International Student - Other Expenses	-	-	230
	<u>282,055</u>	<u>300,000</u>	<u>300,464</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>309,143</u>	<u>391,450</u>	<u>405,765</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	666,861	749,480	591,184
Information and Communication Technology	296,390	344,700	232,826
Library Resources	6,752	7,000	8,722
Employee Benefits - Salaries	13,580,287	13,154,901	13,621,209
Staff Development	68,208	69,000	57,532
Depreciation	491,855	500,000	455,914
	<u>15,110,353</u>	<u>14,825,081</u>	<u>14,967,387</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	11,750	10,300	10,000
Board Fees	4,105	5,000	4,930
Board Expenses	43,432	55,000	15,235
Communication	241,500	249,497	247,408
Consumables	211,419	215,950	193,106
Operating Lease	(262)	25,000	(500)
Legal Fees	5,616	30,000	9,902
Other	9,913	10,000	7,685
Employee Benefits - Salaries	1,132,015	945,920	972,147
Insurance	40,362	40,000	38,307
Service Providers, Contractors and Consultancy	4,380	7,000	4,790
	<u>1,704,230</u>	<u>1,593,667</u>	<u>1,503,010</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	43,094	38,000	49,154
Grounds	16,752	22,000	14,510
Heat, Light and Water	343,288	300,000	301,572
Rates	53,446	48,837	54,755
Repairs and Maintenance	179,091	195,000	312,423
Use of Land and Buildings	1,361,952	1,400,000	1,059,040
Security	72,175	66,000	12,487
Employee Benefits - Salaries	739,147	628,500	664,241
	<u>2,808,945</u>	<u>2,698,337</u>	<u>2,468,182</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 nationwide 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	36,354	38,500	73,419
Cash and cash equivalents for Statement of Cash Flows	<u>36,354</u>	<u>38,500</u>	<u>73,419</u>

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

Of the \$36,354 Cash and Cash Equivalents and the \$3,083,000 Term Deposits, \$113,849 is held by the School on behalf of the Kahui Ako Te Taupū Here o Otautahi 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	8,788	4,000	2,753
Receivables from the Ministry of Education	(1,648)	-	10,708
Interest Receivable	18,425	-	14,998
Teacher Salaries Grant Receivable	968,726	900,000	979,601
	<u>994,291</u>	<u>904,000</u>	<u>1,008,060</u>
Receivables from Exchange Transactions	27,213	4,000	17,751
Receivables from Non-Exchange Transactions	967,078	900,000	990,309
	<u>994,291</u>	<u>904,000</u>	<u>1,008,060</u>

9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cafeteria	3,789	4,000	3,938
	<u>3,789</u>	<u>4,000</u>	<u>3,938</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	3,083,000	2,900,000	4,025,000
	<u>3,083,000</u>	<u>2,900,000</u>	<u>4,025,000</u>
Total Investments			

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Buildings	1,275,703				(46,084)	1,229,619
Building Improvements	67,193				(9,553)	57,640
Furniture and Equipment	557,174	735,401			(124,692)	1,167,883
Information and Communication Technology	444,505	313,971			(187,038)	571,438
Motor Vehicles	71,466				(16,957)	54,509
Artworks	7,878				(98)	7,780
Leased Assets	101,950	105,013			(103,594)	103,369
Library Resources	19,419	11,887	(597)		(3,839)	26,870
Balance at 31 December 2022	2,545,288	1,166,272	(597)	-	(491,855)	3,219,108

The net carrying value of furniture and equipment held under a finance lease is **\$103,369 (2021: \$101,950)**

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings (1)	2,186,783	(957,164)	1,229,619	2,186,783	(911,080)	1,275,703
Building Improvements	535,697	(478,057)	57,640	535,697	(468,504)	67,193
Furniture and Equipment	2,566,755	(1,398,872)	1,167,883	1,852,871	(1,295,697)	557,174
Information and Communication Technology	2,198,069	(1,626,631)	571,438	2,163,230	(1,718,725)	444,505
Motor Vehicles	156,560	(102,051)	54,509	156,560	(85,094)	71,466
Artworks	9,848	(2,068)	7,780	9,847	(1,969)	7,878
Leased Assets	411,325	(307,956)	103,369	374,542	(272,592)	101,950
Library Resources	254,807	(227,937)	26,870	250,634	(231,215)	19,419
Balance at 31 December	8,319,844	(5,100,736)	3,219,108	7,530,164	(4,984,876)	2,545,288

(1) Buildings in Property, Plant and Equipment for the year ended 31 December 2021 has been restated. For details relating to the restatment please refer to note 25.

12. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Reinstated Actual \$
Creditors	133,596	132,478	115,004
Accruals (1)	4,583	20,000	35,371
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	1,119,854	900,000	1,116,397
Employee Entitlements - Leave Accrual	139,469	100,000	98,803
	<u>1,397,502</u>	<u>1,152,478</u>	<u>1,365,575</u>
Payables for Exchange Transactions	1,397,502	1,152,478	1,365,575
	<u>1,397,502</u>	<u>1,152,478</u>	<u>1,365,575</u>

The carrying value of payables approximates their fair value.

(1) Accruals included in Accounts Payable for the year ended 31 December 2021 has been restated. For details relating to the restatement please refer to note 25.

13. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Grants in Advance - Ministry of Education	49,132	-	11,787
International Student Fees in Advance	5,639	-	-
Other revenue in Advance	205,677	-	162,896
	<u>260,448</u>	<u>-</u>	<u>174,683</u>

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	130,990	70,000	85,960
Later than One Year and no Later than Five Years	40,366	20,000	31,645
	<u>171,356</u>	<u>90,000</u>	<u>117,605</u>
Represented by			
Finance lease liability - Current	130,990	70,000	85,960
Finance lease liability - Non current	40,366	20,000	31,645
	<u>171,356</u>	<u>90,000</u>	<u>117,605</u>

15. Funds held in Trust

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	173,852	157,000	12,528
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	138,310
	<u>173,852</u>	<u>157,000</u>	<u>150,838</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

The School has not been involved in any Capital Works projects during 2022.

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions (R&M) \$	Closing Balances \$
A & C Ventilation and Cooling			400,000	(522,381)	122,381	-
						-
Totals		-	400,000	(522,381)	122,381	-

17. Funds Held on Behalf of Kahui Ako Te Taura Here o Otautahi

Te Puna Wai o Waipapa - Hagley College is the lead school and holds funds on behalf of the cluster, a group of schools funded by the Ministry.

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held at Beginning of the Year	226,231		155,484
Funds Received from MoE	16,549		146,053
Total funds received	<u>16,549</u>	-	<u>146,053</u>
Funds Spent on Behalf of the Cluster	128,931		75,306
Funds Held at Year End	<u>113,849</u>	-	<u>226,231</u>

18. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

19. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	4,105	4,930
<i>Leadership Team</i>		
Remuneration	565,312	710,887
Full-time equivalent members	4	4
Total key management personnel remuneration	569,417	715,817

There are 8 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. The Board also has Finance (3 members) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

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	140 - 150	-
Benefits and Other Emoluments	5 - 10	-
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	20-30	220 - 230
Benefits and Other Emoluments	-	30 - 40
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	17.00	17.00
110 - 120	11.00	11.00
120 - 130	3.00	0.00
140 - 150	2.00	2.00
160 - 170	0.00	1.00
	33.00	31.00

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

20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at **31 December 2022** (Contingent liabilities and assets at **31 December 2021**: nil).

Additional funding wash up payment: In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement Settlement and the Teacher Aide Pay Equity Settlement. The School is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2022. The Ministry is the process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is [confirmed/probable], the amount to be received is not known with a high level of certainty. The school has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023.

The School has an obligation to the Ministry of Education to maintain in good order and repair at all times the land, buildings and other facilities on the School site. The School is part of the Christchurch Schools Rebuild Programme which will result in the School's buildings either being repaired or rebuilt in the future. At the present time there is significant uncertainty over how the programme will affect the School. As a result, the School cannot make a reliable estimate of the maintenance required on the School's buildings so no cyclical maintenance provision has been recognised, even though the School will be required to maintain any buildings that are not replaced.

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of boards, through payroll service provider Education Payroll Limited.

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2022, a contingent liability for the school may exist.

21. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board hasn't entered into any contract agreements for capital works
(Capital commitments at 31 December 2021: 0)

(b) Operating Commitments

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

(a) operating lease of a EFTPOS Machine;

	2022 Actual \$	2021 Actual \$
No later than One Year	3,540	3,540
Later than One Year and No Later than Five Years	17,700	17,700
	<u>21,240</u>	<u>21,240</u>

The total lease payments incurred during the period were \$3,540 (2021: \$3,540).

22. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Restated Actual \$
Cash and Cash Equivalents	36,354	38,500	73,419
Receivables	994,291	904,000	1,008,060
Investments - Term Deposits	3,083,000	2,900,000	4,025,000
Total Financial assets measured at amortised cost	<u>4,113,645</u>	<u>3,842,500</u>	<u>5,106,479</u>

Financial liabilities measured at amortised cost

Payables (1)	1,397,502	1,152,478	1,365,575
Finance Leases	134,588	119,000	117,605
Total Financial Liabilities Measured at Amortised Cost	<u>1,532,090</u>	<u>1,271,478</u>	<u>1,483,180</u>

(1) Payables for the year ended 31 December 2021 has been restated. For details relating to the reinstatement please refer to note 25.

23. Events After Balance Date

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

24. Comparatives

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

25. Prior Period Restatement

All material prior period errors are corrected retrospectively in the first set of financial statements authorised for issue after their discovery, by restating the comparative prior period amounts or, if the error occurred before the earliest period presented, by restating the opening balance of assets, liabilities and equity.

A restatement has been made to the 31 December 2021 financial information in relation to the ECE Building, at the time of the issue of Financial Statements it was believed that the School owned the building it was later clarified that the Preschool would be the owner. ECE building of \$624,172 was previously included as Buildings - School in Property, Plant and Equipment. This resulted in an over statement of Current liabilities, and over statement of non-current assets and an over statement of closing retained earnings. The adjustments are set out

	Original Balance \$	Adjustment \$	Restated Balance \$
Impact on Statement of Financial Position as at 31 December 2021			
Accounts Payable	1,440,767	75,192	1,365,575
Property, Plant and Equipment	3,169,460	624,172	2,525,288
Equity at 31 December	6,203,256	548,980	5,654,276