

HUTT CENTRAL SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 2862

Principal: Michael Gendall

School Address: Railway Avenue

School Postal Address: 6 Railway Avenue, Alicetown, Lower Hutt, 5010

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Accountant / Service Provider:

Education  *Services.*
Dedicated to your school

HUTT CENTRAL SCHOOL

Annual Report - For the year ended 31 December 2022

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Hutt Central School

Statement of Responsibility

For the year ended 31 December 2022

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

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

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

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

Renee Fauvel
Full Name of Presiding Member


Signature of Presiding Member

22/8/23
Date:

Michael Gendall
Full Name of Principal


Signature of Principal

22/8/23
Date:

Hutt Central School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	2,900,810	2,531,921	2,493,572
Locally Raised Funds	3	191,248	94,000	145,363
Government Grants-Resource Teachers Learning and Behaviour RTLB 29	18	2,251,879	2,036,679	2,027,794
Interest Income		4,525	1,720	926
		<u>5,348,462</u>	<u>4,664,320</u>	<u>4,667,655</u>
Expenses				
Locally Raised Funds	3	52,256	26,850	47,041
Learning Resources	4	2,073,270	1,726,138	1,835,259
Administration	5	190,952	138,040	138,373
Finance		3,815	1,728	2,559
Property	6	632,485	754,055	600,196
Government Grants-Resource Teachers Learning and Behaviour RTLB 29	18	2,218,915	2,057,200	1,990,537
Loss on Disposal of Property, Plant and Equipment	11	-	-	993
		<u>5,171,693</u>	<u>4,704,011</u>	<u>4,614,958</u>
Net Surplus / (Deficit) for the year		176,769	(39,691)	52,697
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>176,769</u>	<u>(39,691)</u>	<u>52,697</u>

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

Hutt Central School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		639,380	432,654	581,533
Total comprehensive revenue and expense for the year		176,769	(39,691)	52,697
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	5,150
Equity at 31 December		816,149	392,963	639,380
Accumulated comprehensive revenue and expense		816,149	392,963	639,380
Equity at 31 December		816,149	392,963	639,380

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.

Hutt Central School Statement of Financial Position As at 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	507,368	230,657	315,910
Accounts Receivable	8	310,907	130,675	268,446
GST Receivable		10,850	14,916	14,359
Prepayments		14,900	5,832	7,925
Inventories	9	2,003	1,695	2,169
Investments	10	92,522	90,420	90,699
RTLB Cluster - Due/Owing		3,887	-	115
		<u>942,437</u>	<u>474,195</u>	<u>699,623</u>
Current Liabilities				
Accounts Payable	12	337,075	245,990	296,762
Borrowings	13	4,377	-	-
Revenue Received in Advance	14	5,916	184	184
Provision for Cyclical Maintenance	15	-	6,561	6,627
Finance Lease Liability	16	26,016	12,753	14,567
		<u>373,384</u>	<u>265,488</u>	<u>318,140</u>
Working Capital Surplus/(Deficit)		569,053	208,707	381,483
Non-current Assets				
Property, Plant and Equipment	11	343,911	242,417	301,366
		<u>343,911</u>	<u>242,417</u>	<u>301,366</u>
Non-current Liabilities				
Borrowings - Due beyond one year	13	16,414	-	-
Provision for Cyclical Maintenance	15	50,342	44,222	37,784
Finance Lease Liability	16	30,059	13,939	5,685
		<u>96,815</u>	<u>58,161</u>	<u>43,469</u>
Net Assets		<u><u>816,149</u></u>	<u><u>392,963</u></u>	<u><u>639,380</u></u>
Equity		<u><u>816,149</u></u>	<u><u>392,963</u></u>	<u><u>639,380</u></u>

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

Hutt Central School
Statement of Cash Flows
For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		951,792	513,809	504,478
Locally Raised Funds		200,232	40,000	145,820
Goods and Services Tax (net)		3,766	-	7,020
Payments to Employees		(437,502)	(332,288)	(330,812)
Payments to Suppliers		(439,566)	(72,259)	(211,684)
Interest Paid		(4,017)	(1,728)	(2,491)
Interest Received		5,840	1,600	912
Net cash from/(to) Operating Activities		280,545	149,134	113,243
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(52,906)	(45,212)	(55,782)
Purchase of Investments		(1,822)	-	(742)
Net cash from/(to) Investing Activities		(54,728)	(45,212)	(56,524)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	5,150
Finance Lease Payments		(13,568)	(12,029)	(7,757)
Painting contract payments		-	-	(5,938)
Loans Received		(21,885)	-	-
Repayment of Loans		1,094	-	-
Funds Administered on Behalf of Third Parties		-	-	77,704
Net cash from/(to) Financing Activities		(34,359)	(12,029)	69,159
Net increase/(decrease) in cash and cash equivalents		191,458	91,893	125,878
Cash and cash equivalents at the beginning of the year	7	315,910	138,764	190,032
Cash and cash equivalents at the end of the year	7	507,368	230,657	315,910

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.

Hutt Central School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

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 16. Future operating lease commitments are disclosed in note 23b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building Improvements	2 - 20 years
Furniture and Equipment	2- 10 years
Information and Communication Technology	5 - 10 years
Library Resources	8 years
RTLB Assets	4 - 10 years
Leased assets held under a Finance Lease	Term of Lease

k) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

l) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on a comparison to recent market transactions.

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.

m) 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.

n) Employee Entitlements

Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in surplus or deficit in the period in which they arise.

o) Revenue Received in Advance

Revenue received in advance relates to fees received from 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 students, should the School be unable to provide the services to which they relate.

p) 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 Comprehensive Revenue and Expense.

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

q) 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.

r) Shared Funds

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

s) Provision for Cyclical Maintenance

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

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

The schools carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

t) 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, 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.

u) 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.

v) 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.

w) 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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	659,830	513,809	513,562
Teachers' Salaries Grants	1,733,258	1,392,091	1,499,804
Use of Land and Buildings Grants	507,722	626,021	479,506
Other Government Grants	-	-	700
	<u>2,900,810</u>	<u>2,531,921</u>	<u>2,493,572</u>

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	54,991	35,000	39,890
Fees for Extra Curricular Activities	50,770	25,000	40,173
Trading	2,945	4,000	4,316
Fundraising & Community Grants	2,605	-	2,261
Other Revenue	14,590	5,000	14,211
Fundraising	65,347	25,000	44,512
	<u>191,248</u>	<u>94,000</u>	<u>145,363</u>
Expenses			
Extra Curricular Activities Costs	16,979	4,250	18,532
Trading	3,362	4,000	5,794
Fundraising & Community Grant Costs	127	-	149
Fundraising	31,788	18,600	22,566
	<u>52,256</u>	<u>26,850</u>	<u>47,041</u>
<i>Surplus for the year Locally raised funds</i>	<u>138,992</u>	<u>67,150</u>	<u>98,322</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	59,601	46,400	38,114
Library Resources	1,522	1,300	1,122
Employee Benefits - Salaries	1,937,990	1,605,441	1,714,930
Staff Development	7,726	20,000	19,129
Depreciation	66,431	52,997	61,964
	<u>2,073,270</u>	<u>1,726,138</u>	<u>1,835,259</u>

5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Audit Fee	7,430	7,430	7,214
Board Fees	1,485	2,500	1,595
Board Expenses	4,732	6,500	4,086
Communication	2,712	3,350	2,674
Consumables	12,711	7,500	6,265
Operating Lease	-	-	245
Other	15,626	13,380	15,769
Employee Benefits - Salaries	130,119	84,000	85,140
Insurance	2,757	-	2,785
Service Providers, Contractors and Consultancy	13,380	13,380	12,600
	<u>190,952</u>	<u>138,040</u>	<u>138,373</u>

6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Caretaking and Cleaning Consumables	19,537	16,500	17,251
Cyclical Maintenance Provision	13,221	9,946	9,284
Grounds	3,227	2,000	2,993
Heat, Light and Water	12,268	11,000	10,025
Repairs and Maintenance	18,740	25,500	21,848
Use of Land and Buildings	507,722	626,021	479,506
Security	2,903	2,000	2,668
Employee Benefits - Salaries	31,483	34,938	29,577
Contractors/consultancy	23,384	26,150	27,044
	<u>632,485</u>	<u>754,055</u>	<u>600,196</u>

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

7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Bank Accounts	326,523	230,657	164,200
RTLBank Accounts	180,845		151,710
Cash and cash equivalents for Statement of Cash Flows	<u>507,368</u>	<u>230,657</u>	<u>315,910</u>

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

See note 18 for details of how the RTLBank funding received for the service has been spent in the year.

8. Accounts Receivable

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Receivables	1,738	1,770	2,694
Interest Receivable	168	31	45
Teacher Salaries Grant Receivable	162,315	128,874	141,002
RTLB Teacher Salaries Grant Receivable	146,686		124,705
	<u>310,907</u>	<u>130,675</u>	<u>268,446</u>
Receivables from Exchange Transactions	1,906	1,801	2,739
Receivables from Non-Exchange Transactions	309,001	128,874	265,707
	<u>310,907</u>	<u>130,675</u>	<u>268,446</u>

9. Inventories

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Sunhats / Hoodies	254	456	618
Stationery	1,749	1,239	1,551
	<u>2,003</u>	<u>1,695</u>	<u>2,169</u>

10. Investments

The School's investment activities are classified as follows:

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	92,522	90,420	90,699
Total Investments	<u>92,522</u>	<u>90,420</u>	<u>90,699</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	125,405	26,733	-	-	(14,985)	137,153
Furniture and Equipment	87,517	14,766	-	-	(15,702)	86,580
Information and Communication Technology	40,329	15,035	-	-	(16,307)	39,057
Leased Assets	15,793	55,778	-	-	(18,889)	52,682
Library Resources	4,134	255	-	-	(548)	3,841
RTLB Assets	28,188	2,073	-	-	(5,663)	24,598
Balance at 31 December 2022	301,366	114,640	-	-	(72,094)	343,911

The net carrying value of equipment held under a finance lease is \$52,682 (2021: \$15,793)

Restrictions

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

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	425,433	(288,280)	137,153	398,700	(273,295)	125,405
Furniture and Equipment	309,644	(223,015)	86,629	294,879	(207,362)	87,517
Information and Communication Technology	183,923	(145,894)	38,029	169,986	(129,657)	40,329
Leased Assets	102,519	(48,859)	53,660	45,643	(29,850)	15,793
Library Resources	15,095	(11,253)	3,842	14,840	(10,706)	4,134
RTLB Assets	34,438	(9,840)	24,598	32,365	(4,177)	28,188
Balance at 31 December	1,071,052	(727,141)	343,911	956,413	(655,047)	301,366

12. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	17,166	7,022	15,543
Accruals	5,930	4,941	5,714
Employee Entitlements - Salaries	162,315	228,522	141,002
Employee Entitlements - Leave Accrual	4,680	5,505	4,787
RTL B Creditors	298		5,011
RTL B Employee Entitlements - Salaries	146,686		124,705
	<u>337,075</u>	<u>245,990</u>	<u>296,762</u>
Payables for Exchange Transactions	337,075	245,990	296,762
	<u>337,075</u>	<u>245,990</u>	<u>296,762</u>

The carrying value of payables approximates their fair value.

13. Borrowings

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Loans due in one year	4,377	-	-
Loans due after one year	16,414	-	-
	<u>20,791</u>	<u>-</u>	<u>-</u>

14. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Income in Advance	5,916	184	184
	<u>5,916</u>	<u>184</u>	<u>184</u>

15. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	44,411	40,837	35,127
Increase to the Provision During the Year	9,521	9,946	9,880
Use of the Provision During the Year	(7,290)	-	-
Other Adjustments	3,700	-	(596)
Provision at the End of the Year	<u>50,342</u>	<u>50,783</u>	<u>44,411</u>
Cyclical Maintenance - Current	-	6,561	6,627
Cyclical Maintenance - Non current	50,342	44,222	37,784
	<u>50,342</u>	<u>50,783</u>	<u>44,411</u>

Per the cyclical maintenance schedule the school is next expected to undertake painting works during 2024. This plan is based on the schools 10 Year Property plan / painting quotes.

16. 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	24,230	12,753	12,647
Later than One Year and no Later than Five Years	37,604	13,939	6,954
Future Finance Charges	(7,545)	-	(2,763)
RTLB finance lease - No Later than One Year	1,786	-	1,920
RTLB finance lease - Later than One Year and no Later than Five Years	-	-	1,494
	<u>56,075</u>	<u>26,692</u>	<u>20,252</u>
Represented by			
Finance lease liability - Current	26,016	12,753	14,567
Finance lease liability - Non current	30,059	13,939	5,685
	<u>56,075</u>	<u>26,692</u>	<u>20,252</u>

17. Funds Held (Owed) 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 projects is included under cash and cash equivalents in note 7.

2022	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Totals		-	-	-	-	-

Represented by:

Funds Held on Behalf of the Ministry of Education -
Funds Receivable from the Ministry of Education -

2021	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Re-Roofing Blk 1	213032	64,848	-	(64,848)	-	-
Refurbish Blk 7,8,9	213032	(128,089)	100,578	27,511	-	-
Urgent Repairs Main Switch	225705	(14,463)	14,463	-	-	-
Heat Pumps Rm 2,12	213034	-	8,966	(8,966)	-	-
Totals		<u>(77,704)</u>	<u>124,007</u>	<u>(46,303)</u>	-	-

Represented by:

Funds Held on Behalf of the Ministry of Education -
Funds Receivable from the Ministry of Education -

18. Funds for RTLB Services

Hutt Central School is the lead school funded by the Ministry of Education to provide the services of Resource Teachers of Learning and Behaviour to its cluster of schools.

The Ministry of Education provides funds to Hutt Central School School to provide Resource Teachers of Learning and Behaviour (RTLB) services to the schools listed in 'Schedule A' of the cluster's Funding and Service Agreement (please attach 'Schedule A').

The cluster employs specially trained RTLB teachers who itinerate between the schools in the cluster to support the learning needs of individual students, groups of students and schools. The cluster also provides resources including funding to support students with additional learning needs on an as-needs basis.

This note sets out the income and expenditure of the RTLB cluster for the year. Please note also that 2021 and 2022 Annual Report includes RTLB balance due to updated MOE requirement.

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Teachers' Salary Grant	1,934,296	1,725,063	1,725,063
Administration Grant	73,883	73,883	72,443
Learning Support Funding	144,337	144,337	141,506
Travel Grant	80,705	78,749	80,314
Other Revenue	18,658	14,647	8,468
	<u>2,251,879</u>	<u>2,036,679</u>	<u>2,027,794</u>
Expenses			
Employee Benefit - Salaries	1,971,127	1,761,563	1,725,063
Administration	54,515	70,450	74,545
Learning Support	160,033	190,187	154,002
Travel	27,577	35,000	28,492
Other Expenses	-	-	4,637
Depreciation	5,663	-	3,798
	<u>2,218,915</u>	<u>2,057,200</u>	<u>1,990,537</u>
Surplus/Deficit from RTLB	32,964		37,257
Reconciliation to Cash Held			
Opening Cash/Funds Held in Advance	151,710		130,515
Surplus/Deficit from RTLB	32,964		37,257
Non-cash items			
Purchase of Assets	(2,073)		19,956
Photocopier Lease	(1,628)		(1,808)
Movement of prepayment	821		625
Movement of creditor	(6,615)		4,990
Depreciation - non cash adjustment	5,663		3,798
Movement of RTLB asset in prior year			(43,622)
Funds Held at Year End	<u>180,842</u>		<u>151,711</u>

Current Assets			
Cash at Bank	180,845	151,710	151,710
GST Receivable	6,720	6,463	6,463
Prepayments	3,332	2,511	2,511
Teachers Salaries Grant Receivable	146,686	-	124,705
Non Current Assets			
Property Plant and Equipment	24,598	-	28,188
Total Assets	<u>362,181</u>	<u>160,684</u>	<u>313,577</u>
Current Liabilities			
Operating Creditors	298	5,011	5,011
Copier Lease	1,786	1,920	1,920
Teachers Salaries Grant Payable	146,686	-	124,705
Non Current Liabilities			
Copier Lease	-	1,494	1,494
Total Liabilities	<u>148,770</u>	<u>8,425</u>	<u>133,130</u>
Net Assets	<u>213,411</u>	<u>152,259</u>	<u>180,447</u>
	213,411		180,447
Equity	<u>213,411</u>	<u>152,259</u>	<u>180,447</u>

19. 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 conditions 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.

20. 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	1,485	1,595
<i>Leadership Team</i>		
Remuneration	395,736	571,143
Full-time equivalent members	3.00	5.04
Total key management personnel remuneration	397,221	572,738

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance (1 member) and Property (1 member) that met 0 and 0 times respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in 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	160 - 170	150 - 160
Benefits and Other Emoluments	4 - 5	4 - 5
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	4.00	2.00
110 - 120	1.00	2.00
120 - 130	1.00	-
	6.00	4.00

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

21. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be board members, committee members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2022 Actual	2021 Actual
Total	-	-
Number of People	-	-

22. 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).

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The school is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2022.

The Ministry is in the Process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The school has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023.

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.

23. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2022.

(Capital commitments as at 31 December 2021: Nil)

(b) Operating Commitments

There are no operating commitments as at 31 December 2022 (Operating commitments at 31 December 2021: nil).

24. Financial Instruments

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

Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	507,368	230,657	315,910
Receivables	310,907	130,675	268,446
Investments - Term Deposits	92,522	90,420	90,699
Total Financial assets measured at amortised cost	<u>910,797</u>	<u>451,752</u>	<u>675,055</u>

Financial liabilities measured at amortised cost

Payables	337,075	245,990	296,762
Borrowings - Loans	20,791	-	-
Finance Leases	56,075	26,692	20,252
Total Financial Liabilities Measured at Amortised Cost	<u>413,941</u>	<u>272,682</u>	<u>317,014</u>

25. Events After Balance Date

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

26. Comparatives

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

Hutt Central School

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Matt Durney	Presiding Member	Elected	Sep 2025
Michael Gendall	Principal	ex Officio	
Carla Wellington	Parent Representative	Elected	Sep 2022
Renee Fauvel	Parent Representative	Elected	Sep 2025
Danny Hughes	Parent Representative	Elected	Sep 2022
Nigel Elder	Parent Representative	Co-opted	Sep 2022
Richard Jackson	Parent Representative	Co-opted	Sep 2022
Tania Jorgensen	Parent Representative	Elected	Sep 2025
Adam Burgess	Staff Representative	Elected	Oct 2022
Rakesh Magan	Parent Representative	Elected	Sep 2025
Greg Taylor	Parent Representative	Elected	Sep 2025
Jo Bate	Staff Representative	Elected	Sep 2025

Hutt Central School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2022, the school received total Kiwisport funding of \$4,307 (excluding GST). The funding was spent on sporting endeavours.

Statement of Compliance with Employment Policy

For the year ended 31st December 2022 the Hutt Central School Board:

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