

# **Hobsonville Point Schools**

## **2022 Annual Report & Financial Statements**



(Left) Meredith Kennett - HPSS Board Chair | (Centre) Maurie Abraham – HPSS Foundation Principal | (Right) Jill Gatum - HPSS Business Manager

**Hāere rā e Rangatira ko Maurie  
Ngā manaakitanga.**

**He hono tangata e kore e motu,  
Ka pa he taura waka e motu.**

**School Numbers: 6977 & 6788**

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## **Board / Principal Reports**

### **Hobsonville Point Schools Chairperson Report 2022**

**Annual Report 2022**  
**Presiding Member**  
**Meredith Kennett**

Tēnā koutou katoa

As we bring our first 10 years to a close, it's lovely to look back and reflect on what a truly incredible school and community we have here in Hobsonville Point. The schools are starting to cement their place as leaders in future-focused learning. Both schools continually strive to do their absolute best for our students.

Again, I wish to acknowledge our Principals, Maurie and Daniel. They've built great foundations for our schools by continuously pushing what is possible, and maintaining a high standard of excellence. They are both incredibly well thought of in the education world, demonstrating leadership that is warm and demanding, growing great leaders within our staff, and inspiring our learners to reach further.

To our staff, also a gigantic thank you! Many people think teachers have it great, school hours... ha! You all put in so much more. I'm particularly grateful for the love and care you show our students and how you all go above and beyond to make our schools special. Some of our students took part in a survey during the year, asking if the school feels like a safe place and if they have at least one friend they can count on. We did 15-20% better than other schools, scoring 93% and 95% respectively. This is a truly wonderful result. Our students feeling safe is so important. Of course, this doesn't mean that our schools are without incident, but it clearly shows that our young people are secure in their place of learning.

Last year I mentioned several building plans underway at both schools, these plans are underway but still not complete. Covid has managed to continue to disrupt. HPPS has had more temporary classrooms delivered on-site whilst we wait for our permanent extension. And discussions have begun about extensions to buildings at HPSS. I have learnt that all things that rely on the Ministry of Education take time, so patience is the name of the game.

This year saw the school board's triennial elections taking place in August/September. Both Philip Jellyman and Ashley Pierce didn't re-stand. They each completed a three-year term, and both brought some fantastic skills and experience to our board table. We were lucky enough to have 13 community members standing for election, and alongside myself, Graeme Aitken and Nathan Rarere (who were all voted back on), we welcomed Katie Dobson and Leilarn Rankin onto the HPS Board. Both Leilarn and Katie bring some strong background knowledge and experiences, and we look forward to all working together to continue to strengthen our schools.



Finally, I want to thank our Hobsonville Point Schools whānau and community. Again, it's been another tough year with delays and disruptions so, I'll end this report exactly as I ended last years...

Hopefully next year we'll begin to see things settle again.

Nāku iti noa, nā

Meredith Kennett

**Presiding Member, 2022**



## **Principal's Report. Hobsonville Point Secondary School, 2022**

### **Secondary School Principal's Report 2022 Year Hobsonville Point Secondary School**

2022 was the fifth year we had all 5 cohorts within our school. Students continue to play a special part in helping us create our school. The year started with seniors being challenged to leave an enduring legacy in relation to a positive, supportive and inclusive culture.

During our first week all new families met their Coaches through our Individual Education Meeting (IEM) programme. This was followed by two days of whole school induction which concentrated on welcoming new staff and students into our school and building relationships. It has been particularly important to concentrate on this as the school community has experienced several years of pandemic disruption and associated loss of some connection. I am proud of the way in which we walk the talk about putting relationships at the centre and making sure we create the time to do so.

We continued our programme of Modules (2 terms), SPINS (1 term Special Interest) and Projects involving learners across our Foundation Year Levels and a similar model for our Q1 (Year 11 students). We continued our Q2 (Year 12) structure which included 1 Connected Learning Module, 2 SPINS and an Impact or Pathway Project, and continued our Q3 (Year 13) structure which comprised 5 SPINS and a Pathways Project.

As in previous years we did not subject our Year 11 cohort to a full NCEA L1 programme as this takes the focus off learning and can produce unnecessary stress for learners. Rather, Year 11 students collected some NCEA L1 or L2 credits that fell out of their learning as and when they were ready. The intention is to achieve in the vicinity of 20 Level 1 or 2 credits in Year 11 so that the focus will remain on learning and allow their focus in their Year 12 year to be on at least 60 quality Level 2 credits. The fifth year of this 2 year journey approach to a quality NCEA L2 was again very successful.

Once again, all of this occurred in a year impacted by the Covid pandemic which resulted in 2 lengthy periods of hybrid learning with students rostered home as we dealt with high levels of staff sickness. It was challenging dealing with the constant flow of different staff and students being ill or working from home as they isolated. We are extremely proud that our foundational structures based on personalising learning, powerful partnerships and deep challenge and inquiry, with a clear focus on wellbeing, whanaungatanga and manaakitanga served us very well during these challenging times. Staff concentrated on wellbeing throughout the year and our Hub/Coach model ensured students remained strongly connected with the school and were able to progress their learning. While the awarding of Learning Recognition Credits affected the ability of students to gain Merit/Excellence endorsement for their qualifications our students gained them to a high level.

All sectors of our school including senior leadership, curriculum and pedagogy leaders, pastoral leaders, teachers, kaiāwhina, student support services, international student team



and administration and ancillary staff were outstanding throughout the year, in very demanding circumstances, as they held true to our vision and principles. We feel validated.

In saying that, the year was very challenging with many issues of anxiety and mental health emerging amongst students and staff.

As a staff, our professional learning focus has continued to be on embedding culturally sustainable practices and has been led by our Across and Within School leads made. Staff sing our school waiata 2 -3 mornings a week and more staff were supported in their learning of Te Reo me Tikanga. A highlight of 2022 was the signing of a 3 Year Partnership with mana whenua, Kawerau ā Maki, to support our development of a strong local curriculum.

During the year we began a consultation process with the Ministry of Education to develop a building expansion plan to accommodate 2500 students. This was unexpected and while it provides a great opportunity, the challenge is to ensure that we build and expand in a way that preserves our vision and maintains personalised learning and wellbeing as our focus.

The strong links we are striving to maintain between our vision, values and principles and our practice were once again strongly evident in our End Of Year Celebration when students were recognised for displaying excellence in our Hobsonville Habits and in our school Values. This was no better displayed than when the staff farewelled and applauded our departing Q3 students as they left the building on their last day.

Our BOT, which was newly elected in 2022, continued to provide strong governance and stewardship for the school as it moved through its ninth year of operation and should feel proud of guiding the school to its current situation. The BOT was extremely supportive of the leadership and staff as we navigated through 2022.

Teaching and non-teaching staff have all contributed strongly to our establishment journey and are committed to our vision and values.

Maurie Abraham  
**Principal, Secondary School, 2022**



## **Principal's Report. Hobsonville Point Primary School, 2022**

### **Primary Principal's Report. 2022 Hobsonville Point Primary School**

2022 marked the end of ten years of operation as the first Public Private Partnership School in New Zealand.

We started with 790 students and ended with 815. With Scott Point coming online and the zoning changes, we did lose 120 students to them. The diversity of enrolments continued with a large number of ESOL students arriving. We are now at 43% ESOL. COVID hasn't stopped enrolments of ESOL students.

We have inducted 11 new staff and have had two take maternity leave.

The PPP model has continued to work well for us, with myself being able to focus a great deal more time on the learning of the students and supporting/challenging staff. The challenges within the airflow have hopefully been fixed.

We have continued to spend a great deal of time supporting our parent community in understanding how we approach learning and teaching. This has worked very well and our parents are supportive of this new learning community. While we have been happy with this, COVID certainly added a challenge to having a community on site. This reduced face to face interactions a lot.

We have been working with the MOE to support us in growing the school. The delivery of temporary spaces has helped with some of the overcrowding.

While the year was still problematic in terms of disruptions, we managed to work towards some of our goals.

## Hobsonville Point Primary Analysis of Variance 2022

**Target 1** 90% of students indicate that they are highly engaged in their learning(MOE Survey "Me and My School" Tool)

- 86% of students believe that teachers make learning interesting. (Year 4 -6) Wellbeing at School Survey
- 61% of students in Years 7 & 8 feel teachers make learning interesting. Wellbeing at School Survey
- The vast majority 90%+ of students in Years 0-3 indicated they want to come to school because it is fun and they enjoy learning. (School student voice survey end of 2022)

**Target 2** 80% of year 8 students will be operating at least within level 4 in reading, writing and maths

Mathematics & statistics - end of 2022 57% of Year 8 students were working within or above Level 4 of the NZC

Reading, listening & viewing - end of 2022 67% of Year 8 students were working within or above Level 4 of the NZC

Writing, speaking & presenting - end of 2022 51% of Year 8 students were working within or above Level 4 of the NZC



## Hobsonville Point Secondary Analysis of Variance 2022

**Target 1-** 55%+ of all NCEA qualifications are endorsed with Merit or Excellence

**43% at Level 2 (25% Merit, 18% Excellence) - affected by Learning Recognition Credits**

**47% at Level 3 (26% Merit, 21% Excellence) - affected by Learning Recognition Credits**

**Target 2-** 60%+ of leavers have NCEA L3

**57% (61%) of all leavers left with NCEA L3**

● **26% (36%) at Excellence, 21% (27%) at Merit (of those achieving L3)**

**29% (23%) of all leavers left with NCEA L2 = 90% of all leavers left with at least NCEA L2**

**Target 3-** 100% of all leavers move on to an appropriate and valuable pathway

**12/18 (67%) of those without NCEA L2 went to a course or employment**

It is important to note that of the 6 without qualifications and for whom we cannot confirm their destination:

- 1 went to Alt Ed (was a sibling of a Directed Enrolment) in Year 9, has turned 16 and comes off their books and still counts as one of our leavers
- 1 never returned to school this year and we lost contact during Covid
- 1 returned for 7 part days throughout 2022 after having been removed from the roll the previous year after sustained non-attendance (8% attendance) as a result of extremely difficult family issues
- 1 arrived during the year with serious mental health issues and barely attended (32% attendance)
- 1 arrived midyear from Te Kura (though non-engagement there) and was with us for 4 months with major mental health issues
- 1 was on a part time programme and enrolled with Northern Health because of mental health issues

## **Hobsonville Point Primary School - 2022 KiwiSport Report**

Hobsonville Point Primary School were recipients of \$13,533 of Kiwisport funding in 2022. This funding enabled the school to strengthen its sport programme across all age groups.

Along with supporting our established sport teams of Netball, Touch & Basketball where we are seeing growth in the number of teams participating in these codes, funds have been used to establish school teams in Flippaball. We were able to initiate a routine practice at our local swim center during lunchtime in term 4. From the success of the format for Flippa, we are pursuing Splash ball and Water Polo competitions to cater across the age groups.

It was important for us to create positive physical days in 2022 after the previous two years of lockdown. We were able to host a senior Yr5-8 Cross-country where students were encouraged to enter competitively and then all seniors participated in a rotation of physical activity including a colour run, fun relays and a power walk lap. Juniors Yr1-4 experienced their own obstacle fun run. This led to two further successful events, hosting Y5-8 students at AUT Millennium stadium for a "Give it a go" Athletics day and the juniors were involved in an Olympics day where modified stations were used to test their throwing, jumping, and running skills. Funds allowed us to hire the stadium and ensure we had appropriate equipment to practice. An additional benefit from the lead up to these events was developing the knowledge base of our staff. We were able to create skill guides with explanations and encouraged them to take their classes out for practice before the actual event.

We have also used funds to purchase appropriate equipment for specific codes like Volleyball & Badminton. This enabled us to practice for these codes without being overly modified to familiarise students and learn the rules. In turn we were able to enter teams in the local North West School Cluster tournament days due to the exposure to these sports.

## **Hobsonville Point Secondary School - 2022 KiwiSport Report**

In 2022 Hobsonville Point Secondary School received \$18,125 of Kiwisport funding. Kiwisport is the government's funding initiative to support student participation in organised sport.

Recruiting and retaining quality coaches and managers remains one of our biggest ongoing challenges, and tapping into our parent whānau is a key way we can identify existing expertise within our community. This year Kiwisport funding helped us to provide a parent workshop where we shared information about our philosophy and approach to sport, as well as involving guest speakers and representatives from a variety of RSO's.

Offering new and alternative sport and physical activity options for our students, through tasters and new active recreation opportunities, is another area of our programme that has benefited from Kiwisport funding. This year we purchased kickboxing equipment as well as using some funding to support students to access an after school skateboarding programme in partnership with Aroha Skate.

Funds have also been used to continue to support student coach and umpire development in Basketball, Netball and Volleyball. Having the funds to support our student coach development has led to increased participation and opportunity for not just our students, but for our five feeder primary schools also. We have provided umpires and managers to cluster festivals in Football, Hockey, Volleyball, Athletics and Softball/Tball. This has strengthened our relationship with our feeder schools as well as seeing our students' confidence in their abilities grow, along with the confidence of the younger students they are working with.

Kiwisport funding has been used to continue to support our student sports council to grow and deliver our intra-school sports and physical activity programme. Our student council has grown to 19 students this year - a testament to the desire from our students to take action and really make a difference in our school. These students play a vital role in connecting with the wider student body, role modelling the benefits of being physically active, and lending student voice to ensure the opportunities we offer are meeting the needs of our students. Raising the profile of these student leaders within the school has also be an important focus this year and some investment has been made hoodies so that these students are easily identifiable around the school, making them more easily approachable and helping to build some pride in the role they are playing around building a sport and physical activity legacy at HPSS.

## **Hobsonville Point Schools Statement of Compliance with Employment Policy**

As of 31st of December 2022, Hobsonville Point Schools has ensured the fair and proper treatment of its employees in all aspects of employment by:

- Confirming that policies and procedures relating to personnel have been reviewed.
- Confirming that it meets the requirements identified as best practice
- Confirming that at all times it aims to be a good employer, complying with the conditions stated in all employee contracts
- Confirming that all employees are treated fairly according to the skill, abilities and qualifications they bring without bias
- Confirming that it meets all its Equal Employment Opportunities requirements.

<https://www.legislation.govt.nz/act/public/2020/0038/latest/LMS242159.html>

Requirement - under Section 597 of the Education and Training Act 2020

# HOBSONVILLE POINT SCHOOLS

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### School Directory

**Ministry Number:** 6977 & 6788

**Principal:** Maurie Abraham and Daniel Birch

**School Address:** 70 Hobsonville Point Road, Hobsonville Point

**School Postal Address:** PO Box 84211, Westgate, Auckland, 0657

**School Phone:** 09 975 7400

**School Email:** [info@hobsonvillepoint.school.nz](mailto:info@hobsonvillepoint.school.nz)

#### Members of the Board

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Meredith Kennett	Presiding Member	Elected	Life Skills Educator	Sep-25
Maurie Abraham	Principal ex Officio		Principal	
Daniel Birch	Principal ex Officio		Principal	
Graeme Aitken	Parent Representative	Elected	Retired	Sep-25
Philip Jellyman	Parent Representative	Elected	Deputy Principal	Sep-22
Ashley Pierce	Parent Representative	Elected	Associate Director	Sep-22
Nathan Rarere	Parent Representative	Elected	Journalist	Sep-25
Leilarn Rankin	Parent Representative	Elected	Project Manager	Sep-25
Katie Dobson	Parent Representative	Elected	Education Advisor	Sep-25
Ngahuia Lott	Staff Representative	Elected	Teacher	Dec-22
Di Cavallo	Staff Representative	Elected	Deputy Principal	Sep-25
Arman Devta	Student Representative	Elected	Student	Sep-23

**Accountant / Service Provider:** School Accounts Limited

# HOBSONVILLE POINT SCHOOLS

Annual Report - For the year ended 31 December 2022

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# Hobsonville Point Schools

## 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.

Meredith Jane Louise Kennett  
Full Name of Presiding Member

  
Signature of Presiding Member

18/5/2023  
Date:

Maurie John Abraham  
Full Name of Principal

  
Signature of Principal

18/5/2023  
Date:

# Hobsonville Point Schools

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>				
Government Grants	2	19,381,104	12,249,284	18,356,161
Locally Raised Funds	3	782,951	501,372	832,387
Interest Income		91,442	48,000	45,709
<b>Total Revenue</b>		<b>20,255,497</b>	<b>12,798,656</b>	<b>19,234,257</b>
<b>Expenses</b>				
Locally Raised Funds	3	320,312	412,259	376,263
Learning Resources	4	12,199,667	11,999,493	11,997,121
Administration	5	845,145	779,868	664,633
Finance		5,929	8,000	7,414
Property	6	7,029,006	292,830	6,145,066
Loss on Disposal of Property, Plant and Equipment		16,918	9,000	6,754
		<b>20,416,977</b>	<b>13,501,450</b>	<b>19,197,251</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>(161,480)</b>	<b>(702,794)</b>	<b>37,005</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(161,480)</b>	<b>(702,794)</b>	<b>37,005</b>

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





# Hobsonville Point Schools

## 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		4,813,463	4,813,463	4,725,401
Total comprehensive revenue and expense for the year		(161,480)	(702,794)	37,005
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	51,057
Equity at 31 December		4,651,983	4,110,669	4,813,463
Accumulated comprehensive revenue and expense		4,651,983	4,110,669	4,813,463
Reserves		-	-	-
Equity at 31 December		4,651,983	4,110,669	4,813,463

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.



# Hobsonville Point Schools

## Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	185,800	115,200	143,494
Accounts Receivable	8	929,145	858,300	869,217
GST Receivable		-	50,000	49,744
Prepayments		59,475	65,000	63,459
Investments	9	4,327,518	2,544,471	4,053,838
		<u>5,501,938</u>	<u>3,632,971</u>	<u>5,179,752</u>
<b>Current Liabilities</b>				
GST Payable		2,978	-	-
Accounts Payable	12	1,188,175	1,234,766	1,208,218
Revenue Received in Advance	13	487,209	128,100	126,496
Finance Lease Liability	14	34,612	46,773	46,773
Funds held in Trust	15	216,547	72,000	71,768
		<u>1,929,521</u>	<u>1,481,639</u>	<u>1,453,255</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>3,572,417</b>	<b>2,151,332</b>	<b>3,726,497</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	936,720	1,097,187	944,218
Capital Work in Progress		173,567	892,968	173,567
		<u>1,110,287</u>	<u>1,990,155</u>	<u>1,117,785</u>
<b>Non-current Liabilities</b>				
Finance Lease Liability	14	30,715	30,817	30,817
		<u>30,715</u>	<u>30,817</u>	<u>30,817</u>
<b>Net Assets</b>		<u><b>4,651,983</b></u>	<u><b>4,110,669</b></u>	<u><b>4,813,463</b></u>
<b>Equity</b>		<u><b>4,651,983</b></u>	<u><b>4,110,669</b></u>	<u><b>4,813,463</b></u>

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



# Hobsonville Point Schools

## Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		3,270,080	3,108,077	2,853,413
Locally Raised Funds		523,051	349,520	584,276
International Students		545,944	154,131	94,351
Goods and Services Tax (net)		52,740	(40,238)	(32,970)
Payments to Employees		(2,126,089)	(2,113,990)	(1,986,177)
Payments to Suppliers		(1,884,112)	(1,815,670)	(1,306,684)
Interest Paid		(5,929)	(8,000)	(7,414)
Interest Received		73,632	47,820	49,356
Net cash from/(to) Operating Activities		449,317	(318,350)	248,151
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(16,918)	-	(6,754)
Purchase of Property Plant & Equipment (and Intangibles)		(207,945)	(364,910)	(308,182)
Purchase of Investments		(273,680)	789,963	143,109
Proceeds from Sale of Investments		-	-	-
Net cash from/(to) Investing Activities		(498,543)	425,053	(171,827)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(53,248)	(20,000)	(17,602)
Funds Administered on Behalf of Third Parties		144,779	(115,000)	(116,269)
Net cash from/(to) Financing Activities		91,531	(135,000)	(133,871)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>42,305</b>	<b>(28,297)</b>	<b>(57,547)</b>
Cash and cash equivalents at the beginning of the year	7	143,494	143,494	201,040
Cash and cash equivalents at the end of the year	7	185,799	115,200	143,494

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.



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Hobsonville Point Schools (the Schools) are a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes. The Crown has entered into a Public Private Partnership (PPP) with Learning Infrastructure Partners. As part of the PPP, the land from which the Schools provide education is owned by the Crown and the buildings from which the Schools provide education is owned by Learning Infrastructure Partners. The Crown has an obligation under the PPP to meet the cost of leasing the buildings from Learning Infrastructure Partners.

##### 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 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



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

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 20b.

#### *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.



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 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.



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### **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:

Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

#### **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 [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.

#### **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.



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 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 international and homestay funds 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.

#### 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 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 Revenue and Expense.

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





# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 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, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

#### s) 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.



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 2. Government Grants

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Government Grants - Ministry of Education	2,975,489	2,780,678	2,630,200
Teachers' Salaries Grants	9,401,795	9,249,606	9,599,371
Use of Land and Buildings Grants	6,767,505	-	5,897,091
Other Government Grants	236,315	219,000	229,499
	<u>19,381,104</u>	<u>12,249,284</u>	<u>18,356,161</u>

The school has not opted in to the donations scheme for this year.

#### 3. Locally Raised Funds

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
<b>Revenue</b>			
Donations & Bequests	156,490	220,000	169,238
Fees for Extra Curricular Activities	4,700	8,000	5,550
Trading	44,480	55,000	28,790
Fundraising & Community Grants	12,473	1,500	553
Other Revenue	382,170	65,500	305,026
International Student Fees	182,638	151,372	323,230
	<u>782,951</u>	<u>501,372</u>	<u>832,387</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	2,833	12,500	10,718
Trading	-	-	-
Fundraising and Community Grant Costs	1,940	-	-
International Student - Employee Benefit - Salaries	289,706	363,149	308,949
International Student - Other Expenses	25,833	36,610	56,596
	<u>320,312</u>	<u>412,259</u>	<u>376,263</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>462,639</u>	<u>89,113</u>	<u>456,124</u>

During the year the School hosted 16 International students (2021:23)



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 4. Learning Resources

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Curricular	839,757	653,136	576,923
Information and Communication Technology	232,272	245,730	204,601
Library Resources	142,076	140,767	130,984
Employee Benefits - Salaries	10,677,955	10,574,460	10,800,717
Staff Development	51,062	139,400	52,237
Depreciation	256,545	246,000	231,659
	<u>12,199,667</u>	<u>11,999,493</u>	<u>11,997,121</u>

#### Professional development

During the year ended December 2022, the Principal and 3 members of the leadership team from the Primary School travelled to Australia at a cost of \$12,227 to attend an annual conference for professional development and presenting at a conference, to reignite relationships after COVID and work with an international inquiry expert that the school has been involved with and the costs were funded by the board.

#### 5. Administration

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Audit Fee	12,266	12,266	11,909
Board Fees	12,945	19,740	13,720
Board Expenses	17,386	15,000	6,202
Communication	15,924	22,300	15,565
Consumables	12,569	13,760	10,037
Operating Lease	59,947	70,376	46,949
Legal Fees	-	1,000	1,294
Other	116,156	126,443	75,027
Employee Benefits - Salaries	574,293	470,327	457,149
Insurance	13,650	15,330	14,516
Service Providers, Contractors and Consultancy	10,009	13,326	12,265
	<u>845,145</u>	<u>779,868</u>	<u>664,633</u>



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 6. Property

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Consultancy and Contract Services	23,534	23,325	7,362
Repairs and Maintenance	223	2,500	-
Use of Land and Buildings	6,767,505	-	5,897,091
Public Private Partnership Levy	237,744	267,005	240,613
	<u>7,029,006</u>	<u>292,830</u>	<u>6,145,066</u>

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

#### 7. Cash and Cash Equivalents

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Bank Accounts	185,800	115,200	143,494
Cash and cash equivalents for Statement of Cash Flows	<u>185,800</u>	<u>115,200</u>	<u>143,494</u>

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

#### 8. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Receivables	93,381	20,000	18,712
Interest Receivable	25,930	8,300	8,120
Banking Staffing Underuse	8,735	50,000	67,009
Teacher Salaries Grant Receivable	801,099	780,000	775,376
	<u>929,145</u>	<u>858,300</u>	<u>869,217</u>
Receivables from Exchange Transactions	119,311	28,300	26,832
Receivables from Non-Exchange Transactions	809,834	830,000	842,385
	<u>929,145</u>	<u>858,300</u>	<u>869,217</u>

# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 9. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Current Asset	\$	\$	\$
Short-term Bank Deposits	4,327,518	2,544,471	4,053,838

#### 10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Furniture and Equipment	477,512	48,345	(2,453)		(88,775)	434,629
Information and Communication Technology	232,032	81,776	(913)		(99,296)	213,599
Motor Vehicles	34,087	61,701			(13,460)	82,328
Textbooks	476				(240)	236
Leased Assets	59,850	40,985			(37,281)	63,554
Library Resources	140,261	33,158	(13,552)		(17,493)	142,374
<b>Balance at 31 December 2022</b>	<b>944,218</b>	<b>265,965</b>	<b>(16,918)</b>	<b>-</b>	<b>(256,545)</b>	<b>936,720</b>

The net carrying value of furniture and equipment held under a finance lease is \$63,554 (2021: \$55,850)

The net carrying value of motor vehicles held under a finance lease is \$82,328 (2021: \$34,087)

#### 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 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	925,544	(490,915)	434,629	882,601	(405,089)	477,512
Information and Communication T	1,078,965	(865,366)	213,599	1,035,046	(803,014)	232,032
Motor Vehicles	165,622	(83,294)	82,328	103,920	(69,833)	34,087
Textbooks	28,736	(28,500)	236	28,736	(28,260)	476
Leased Assets	137,018	(73,464)	63,554	96,033	(36,183)	59,850
Library Resources	253,001	(110,627)	142,374	243,357	(103,096)	140,261
<b>Balance at 31 December</b>	<b>2,588,886</b>	<b>(1,652,166)</b>	<b>936,720</b>	<b>2,389,693</b>	<b>(1,445,475)</b>	<b>944,218</b>



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 11. Intangible Assets

The School's Intangible Assets are made up of acquired computer software.

	Acquired software	Internally generated software	Total \$
<b>Cost</b>			
Balance at 1 January 2021	12,003	-	12,003
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2021 / 1 January 2022	12,003	-	12,003
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2022	12,003	-	12,003
<b>Accumulated Amortisation and impairment losses</b>			
Balance at 1 January 2021	-	-	-
Amortisation expense	-	-	-
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2021 / 1 January 2022	-	-	12,003
Amortisation expense	-	-	-
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2022	-	-	12,003
<b>Carrying amounts</b>			
At 1 January 2021	12,003	-	12,003
At 31 December 2021 / 1 January 2022	-	-	-
At 31 December 2022	-	-	-

#### *Restrictions*

There are no restrictions over the title of the school's intangible assets, nor are any intangible assets pledged as security for liabilities.

#### *Capital commitments*

The amount of contractual commitments for the acquisition of intangible assets is \$nil (2021: \$nil)



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	182,425	260,000	251,244
Accruals	20,986	19,766	12,003
Banking Staffing Overuse	7,258	-	-
Employee Entitlements - Salaries	931,797	920,000	911,438
Employee Entitlements - Leave Accrual	45,709	35,000	33,533
	<u>1,188,175</u>	<u>1,234,766</u>	<u>1,208,218</u>
Payables for Exchange Transactions	1,188,175	1,234,766	1,208,218
	<u>1,188,175</u>	<u>1,234,766</u>	<u>1,208,218</u>

The carrying value of payables approximates their fair value.

#### 13. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
International Student Fees in Advance	459,510	97,000	96,204
Other revenue in Advance	27,699	31,100	30,292
	<u>487,209</u>	<u>128,100</u>	<u>126,496</u>

# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 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	38,904	46,773	51,814
Later than One Year and no Later than Five Years	33,008	30,817	32,987
	<u>71,912</u>	<u>77,590</u>	<u>84,801</u>
<b>Represented by</b>			
Finance lease liability - Current	38,904	46,773	51,814
Finance lease liability - Non current	33,008	30,817	32,987
	<u>71,912</u>	<u>77,590</u>	<u>84,801</u>

#### 15. Funds held in Trust

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	216,547	72,000	71,768
	<u>216,547</u>	<u>72,000</u>	<u>71,768</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.





# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 16. 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.

Leigh Abraham, wife of Maurie Abraham (Principal of the Secondary School), has been employed as a Library Leader at the Secondary School during 2022. (2021 : Same as 2022)

Thomas Abraham, son of Maurie Abraham ( Principal of the Secondary School) has been employed as a Teacher Aide at the Secondary School during 2022. (2021 : Same as 2022)

Sarah Birch, wife of Daniel Birch (Principal of the Primary School) has been employed as a teacher at the Primary School during 2022. (2021 : Same as 2022)

Mea Birch and Nelle Birch, Children of Daniel Birch (Principal of the Primary School), were employed as a Teacher Aide at the Primary School during 2022. (2021 : Jack Birch employed as Teacher Aide at the Primary School)



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 17. 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	12,945	13,720
	0.12	0.10
<i>Leadership Team</i>		
Remuneration	1,292,370	1,144,645
Full-time equivalent members	9.00	8.10
Total key management personnel remuneration	1,305,315	1,158,365

There are 10 members of the Board excluding the Principal. The Board had held 9 full meetings of the Board in the year. The Board also has 2 Finance members and 2 Property 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	200 - 210	190 - 200
Benefits and Other Emoluments	4 - 5	4 - 5

##### 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	190 - 200	190 - 200
Benefits and Other Emoluments	5 - 6	5 - 6

##### 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	16.00
110 - 120	4.00	4.00
120 - 130	2.00	3.00
130 - 140	3.00	0.00
	26.00	23.00

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



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 18. 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	-	-

#### 19. Contingencies

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

##### Holidays Act Compliance – schools payroll

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

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

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

##### Additional funding wash up payment:

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 [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



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 20. Commitments

##### (a) Capital Commitments

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

- (i) Turf & Cover - \$769,968
- (ii) Kiln Room & Senior Print Room - \$39,000
- (iii) Other BOT funded projects - \$57,265
- (iv) Fuji Film Lease - \$66,499 - Due to start from 2023 - 2028
- (v) Lease Contracts CFS 1011032 & 1011103 to start from 2023 - \$24,892

(Capital commitments at 31 December 2021: \$38,728)

##### (b) Operating Commitments

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

operating lease of a Garage;

	2022 Actual \$	2021 Actual \$
No later than One Year	8,849	2,112
Later than One Year and No Later than Five Years	44,244	18,075
Later than Five Years	70,755	48,432
	123,848	68,619



# Hobsonville Point Schools

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 21. 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	185,800	115,200	143,494
Receivables	929,145	858,300	869,217
Investments - Term Deposits	4,327,518	2,544,471	4,053,838
Total Financial assets measured at amortised cost	<u>5,442,463</u>	<u>3,517,971</u>	<u>5,066,549</u>

##### Financial liabilities measured at amortised cost

Payables	1,188,175	1,234,766	1,208,218
Finance Leases	65,327	77,590	77,590
Total Financial Liabilities Measured at Amortised Cost	<u>1,253,502</u>	<u>1,312,356</u>	<u>1,285,808</u>

#### 22. Events After Balance Date

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

#### 23. Comparatives

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

#### 24. Subsequent Events - Extreme Weather Events.

During February 2023 the North Island of New Zealand was struck by several extreme weather events which resulted in widespread flooding, road closures, slips, and prolonged power and water outages for many communities in the Northland, Auckland, Coromandel, Bay of Plenty, Gisborne and Hawkes Bay/Tairāwhiti regions.

While many schools were able to reopen soon after the extreme weather events, some schools have remained closed for a prolonged period.

#### 25. No Significant Impacts

The damage caused by extreme weather events in the Auckland region and the full financial impact has not yet been determined, but it is not expected to be significant to the school. The School continued to receive funding from the Ministry of Education, even while closed.



**INDEPENDENT AUDITOR'S REPORT****TO THE READERS OF HOBSONVILLE POINT SCHOOLS' FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

The Auditor-General is the auditor of Hobsonville Point Schools (the School). The Auditor-General has appointed me, Brendan Lyon, using the staff and resources of Crowe New Zealand Audit Partnership, 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 1 to 23, that comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2022; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 18 May 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

**Basis for our opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.*

*Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd.*

*Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.*

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### **Responsibilities of the Board for the financial statements**

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

### **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arises from the Public Audit Act 2001.

### **Other information**

The Board is responsible for the other information. The other information comprises of the Analysis of Variance, the Kiwi Sport Report and Statement of Compliance with Employment Policy but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Independence**

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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



Brendan Lyon  
Crowe New Zealand Audit Partnership  
On behalf of the Auditor-General  
Auckland, New Zealand