

HAMILTON SEVENTH-DAY ADVENTIST SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 4105

Principal: Shaun Hurlow

School Address: 46 Annebrook Road, Hillcrest

School Postal Address: 46 Annebrook Road RD 3, Hamilton, 3283

School Phone: 07 856 4417

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Accountant / Service Provider:

Education  *Services.*
Dedicated to your school

HAMILTON SEVENTH-DAY ADVENTIST SCHOOL

Annual Report - For the year ended 31 December 2022

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Hamilton Seventh-Day Adventist 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.

Matthew Graham Ochler
Full Name of Presiding Member


Signature of Presiding Member

30 May 2023
Date:

William Shaun Hurlow
Full Name of Principal


Signature of Principal

30 May 2023
Date:

Hamilton Seventh-Day Adventist 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	748,352	598,283	598,279
Locally Raised Funds	3	59,829	36,500	52,174
Use of Proprietor's Land and Buildings		109,000	108,000	78,500
Interest Income		861	111	101
		<u>918,042</u>	<u>742,894</u>	<u>729,054</u>
Expenses				
Locally Raised Funds	3	16,301	5,000	17,221
Learning Resources	4	602,017	505,267	490,849
Administration	5	62,519	60,120	52,096
Finance		1,531	1,000	2,163
Property	6	191,723	179,276	149,157
Other Expenses	7	2,079	-	6,190
		<u>876,170</u>	<u>750,663</u>	<u>717,676</u>
Net Surplus / (Deficit) for the year		41,872	(7,769)	11,378
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>41,872</u>	<u>(7,769)</u>	<u>11,378</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.



Hamilton Seventh-Day Adventist School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2022

	2022	2022	2021
Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Equity at 1 January	184,553	154,958	164,419
Total comprehensive revenue and expense for the year	41,872	(7,769)	11,378
Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	3,015	-	1,796
School Network Upgrade Project (SNUP)	-	-	6,960
Scholarship Reserves	1,043	-	-
Equity at 31 December	230,483	147,189	184,553
Scholarship Reserves	6,519		1,043
Accumulated comprehensive revenue and expense	223,964	147,189	183,510
Equity at 31 December	230,483	147,189	184,553

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.



Hamilton Seventh-Day Adventist School
Statement of Financial Position
As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	8	103,705	57,920	104,420
Accounts Receivable	9	70,350	68,358	42,046
GST Receivable		5,285	2,416	1,964
Prepayments		1,945	1,326	897
Inventories	10	6,773	6,414	6,712
		<u>188,058</u>	<u>136,434</u>	<u>156,039</u>
Current Liabilities				
Accounts Payable	13	54,879	50,982	49,553
Borrowings	14	6,701	6,701	6,701
Revenue Received in Advance	15	2,075	2,607	2,682
Provision for Cyclical Maintenance	16	6,666	2,735	11,525
Finance Lease Liability	17	9,398	7,677	8,390
		<u>79,719</u>	<u>70,702</u>	<u>78,851</u>
Working Capital Surplus/(Deficit)		108,339	65,732	77,188
Non-current Assets				
Property, Plant and Equipment	11	90,449	70,479	84,785
Equitable Leasehold Interest	12	42,441	46,599	44,520
		<u>132,890</u>	<u>117,078</u>	<u>129,305</u>
Non-current Liabilities				
Borrowings - Due beyond one year	14	2,064	14,140	8,441
Provision for Cyclical Maintenance	16	2,028	15,055	3,544
Finance Lease Liability	17	6,654	6,426	9,955
		<u>10,746</u>	<u>35,621</u>	<u>21,940</u>
Net Assets		<u>230,483</u>	<u>147,189</u>	<u>184,553</u>
Equity		<u>230,483</u>	<u>147,189</u>	<u>184,553</u>

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



Hamilton Seventh-Day Adventist 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		251,633	188,184	242,076
Locally Raised Funds		77,769	-	57,948
Goods and Services Tax (net)		(3,321)	-	452
Payments to Employees		(122,194)	(94,500)	(89,813)
Payments to Suppliers		(184,552)	(67,335)	(147,842)
Interest Paid		(1,531)	(1,000)	(2,163)
Interest Received		797	111	87
Net cash from/(to) Operating Activities		18,601	25,460	60,745
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(19,480)	(18,000)	(16,447)
Net cash from/(to) Investing Activities		(19,480)	(18,000)	(16,447)
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,015	-	1,796
Finance Lease Payments		(9,228)	(9,310)	(5,508)
Loans Received		-	(5,700)	(6,636)
Repayment of Loans		6,377	-	-
Funds Administered on Behalf of Third Parties		-	(5,000)	-
Net cash from/(to) Financing Activities		164	(20,010)	(10,348)
Net increase/(decrease) in cash and cash equivalents		(715)	(12,550)	33,950
Cash and cash equivalents at the beginning of the year	8	104,420	70,470	70,470
Cash and cash equivalents at the end of the year	8	103,705	57,920	104,420

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.



Hamilton Seventh-Day Adventist School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Hamilton Seventh-Day Adventist 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.

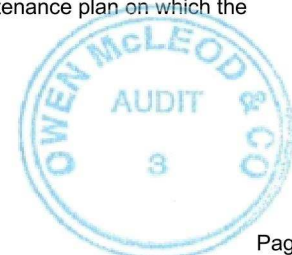
Critical Accounting Estimates And Assumptions

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 16.



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 17. Future operating lease commitments are disclosed in note 22b.

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 Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the 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 Proprietor 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 to buildings owned by the Proprietor 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:

Furniture and Equipment	5-15 years
Information and Communication Technology	5 years
Motor Vehicles	5 years
Textbooks	5-8 years
Library Resources	12.5 DV
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.

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 Proprietor. 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	253,079	188,184	191,703
Teachers' Salaries Grants	495,273	410,099	405,925
Transport Grant	-	-	651
	<u>748,352</u>	<u>598,283</u>	<u>598,279</u>

The school has opted in to the donations scheme for this year. Total amount received was \$13,650.

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	15,720	7,000	19,032
Fees for Extra Curricular Activities	24,728	14,000	17,611
Trading	13,199	4,000	10,183
Fundraising & Community Grants	600	7,500	488
After School Care	5,582	4,000	4,860
	<u>59,829</u>	<u>36,500</u>	<u>52,174</u>
Expenses			
Extra Curricular Activities Costs	2,753	1,000	4,478
Trading	12,539	4,000	12,743
Fundraising & Community Grant Costs	1,009	-	-
	<u>16,301</u>	<u>5,000</u>	<u>17,221</u>
<i>Surplus for the year Locally raised funds</i>	<u>43,528</u>	<u>31,500</u>	<u>34,953</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	38,174	27,050	16,922
Library Resources	-	100	-
Employee Benefits - Salaries	538,093	462,599	452,217
Staff Development	889	2,000	404
Depreciation	24,861	13,518	21,306
	<u>602,017</u>	<u>505,267</u>	<u>490,849</u>



5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	4,285	4,000	4,160
Board Fees	55	-	-
Board Expenses	2,959	3,790	1,964
Communication	2,657	2,500	2,683
Consumables	4,262	4,150	3,262
Operating Lease	311	2,000	1,983
Other	11,866	9,680	7,524
Employee Benefits - Salaries	28,998	27,000	24,522
Insurance	886	-	694
Service Providers, Contractors and Consultancy	6,240	7,000	5,304
	<u>62,519</u>	<u>60,120</u>	<u>52,096</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	3,342	3,450	3,134
Cyclical Maintenance Provision	7,074	4,586	13,128
Grounds	3,920	6,500	4,227
Heat, Light and Water	6,753	5,800	4,214
Rates	508	360	230
Repairs and Maintenance	4,234	9,000	6,185
Use of Land and Buildings	109,000	108,000	78,500
Security	992	1,080	1,317
Employee Benefits - Salaries	24,451	15,000	14,073
Bus	10,090	8,500	8,089
Consultancy & Contract Service	21,359	17,000	16,060
	<u>191,723</u>	<u>179,276</u>	<u>149,157</u>

The use of land and buildings figure represents 5% of the school's total property value. This is used as a 'proxy' for the market rental of the property.

7. Other Expenses

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Loss on Uncollectable Accounts Receivable	-	-	4,111
Amortisation of Equitable Lease	2,079	-	2,079
	<u>2,079</u>	<u>-</u>	<u>6,190</u>



8. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	103,705	57,920	104,420
Cash and cash equivalents for Statement of Cash Flows	103,705	57,920	104,420

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

9. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	2,534	8,025	2,126
Banking Staffing Underuse	26,651	28,202	5,625
Interest Receivable	79	1	15
Teacher Salaries Grant Receivable	41,086	32,130	34,280
	70,350	68,358	42,046
Receivables from Exchange Transactions	2,613	8,026	2,141
Receivables from Non-Exchange Transactions	67,737	60,332	39,905
	70,350	68,358	42,046

10. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Uniforms	6,773	6,414	6,712
	6,773	6,414	6,712



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Building Improvements	5,155	-	-	-	(139)	5,016
Furniture and Equipment	29,865	16,580	-	-	(5,367)	41,078
Information and Communication Technology	19,746	4,975	-	-	(5,071)	19,650
Motor Vehicles	10,400	-	-	-	(4,692)	5,708
Textbooks	56	-	-	-	(56)	-
Leased Assets	15,901	8,969	-	-	(9,043)	15,828
Library Resources	3,662	-	-	-	(493)	3,169
Balance at 31 December 2022	84,785	30,524	-	-	(24,861)	90,449

The net carrying value of equipment held under a finance lease is \$15,828 (2021: \$15,901)

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	5,540	(524)	5,016	5,540	(385)	5,155
Furniture and Equipment	144,934	(103,856)	41,078	132,698	(102,833)	29,865
Information and Communication Technology	33,639	(13,989)	19,650	32,282	(12,536)	19,746
Motor Vehicles	23,461	(17,753)	5,708	23,461	(13,061)	10,400
Textbooks	4,144	(4,144)	-	4,144	(4,088)	56
Leased Assets	29,515	(13,687)	15,828	31,951	(16,050)	15,901
Library Resources	36,508	(33,339)	3,169	36,508	(32,846)	3,662
Balance at 31 December	277,741	(187,292)	90,449	266,584	(181,799)	84,785

12. Equitable Leasehold Interest

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge over the asset. This equitable leasehold interest represents the board's interest in capital works assets owned by the proprietor but paid for in whole or in part by the Board of Trustees, either from Government funding or from community raised funds.

A lease between the board and the proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. The equitable leasehold interest is amortised over 10-40 years based on the economic life of the capital works asset(s) involved. The interest may be realised on the sale of the capital works by the proprietor of the closure of the school.

The major capital works assets included in the equitable leasehold interest are:

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Admin/Library/Staffroom	42,441	46,599	44,520
	42,441	46,599	44,520



13. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	7,781	13,853	10,114
Accruals	4,285	4,000	4,160
Employee Entitlements - Salaries	41,086	32,130	34,280
Employee Entitlements - Leave Accrual	1,727	999	999
	54,879	50,982	49,553
Payables for Exchange Transactions	54,879	50,982	49,553
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	54,879	50,982	49,553

The carrying value of payables approximates their fair value.

14. Borrowings

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Loans due in one year	6,701	6,701	6,701
Loans due after one year	2,064	14,140	8,441
	8,765	20,841	15,142

15. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Income In Advance	156	1,079	-
School Fees Assistance Inc in Adv	-	528	1,043
Student Income In Advance	1,919	1,000	1,639
	2,075	2,607	2,682



16. Provision for Cyclical Maintenance

	2022	2022 Budget	2021
	Actual	(Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	15,069	13,204	11,628
Increase to the Provision During the Year	3,597	4,586	4,394
Use of the Provision During the Year	(13,449)	-	(9,687)
Other Adjustments	3,477	-	8,734
	<u>8,694</u>	<u>17,790</u>	<u>15,069</u>
Cyclical Maintenance - Current	6,666	2,735	11,525
Cyclical Maintenance - Non current	2,028	15,055	3,544
	<u>8,694</u>	<u>17,790</u>	<u>15,069</u>

Per the cyclical maintenance schedule the school is next expected to undertake painting works during 2023. This plan is based on the schools 10 Year Property plan / painting quotes.

17. 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	2022 Budget	2021
	Actual	(Unaudited)	Actual
	\$	\$	\$
No Later than One Year	10,177	7,677	9,272
Later than One Year and no Later than Five Years	6,892	6,426	10,194
Future Finance Charges	(1,017)	-	(1,121)
	<u>16,052</u>	<u>14,103</u>	<u>18,345</u>
Represented by			
Finance lease liability - Current	9,398	7,677	8,390
Finance lease liability - Non current	6,654	6,426	9,955
	<u>16,052</u>	<u>14,103</u>	<u>18,345</u>



18. Related Party Transactions

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

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and 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.

The Proprietor of the School (New Zealand Seventh-day Adventist Schools' Association Ltd) is a related party of the School Board because the proprietor appoints representatives to the School Board, giving the proprietor significant influence over the School Board. Any services or contributions between the School Board and Proprietor have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the School Board as noted in Note 1(c). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of Land and Buildings".

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include attendance dues, building levy and special character donations payable to the Proprietor. The amounts collected in total were \$0 (2021: \$0). These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the proprietor are \$0 (2021: \$0).



19. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	55	-
<i>Leadership Team</i>		
Remuneration	231,326	211,613
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	<u>231,381</u>	<u>211,613</u>

There are 9 members of the Board excluding the Principal. The Board had held 7 full meetings of the Board in the year. The Board also has Finance (9 members) and Property (9 members) that met 7 and 7 times 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	120 - 130	110 - 120
Benefits and Other Emoluments	3 - 4	3 - 4
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	2.00	1.00
	<u>2.00</u>	<u>1.00</u>

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

20. Compensation and Other Benefits Upon Leaving

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

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



21. Contingencies

(a) Contingent Assets

In 2022 the Ministry of Education provided additional funding for both the Support Staff in School's 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.

(b) Contingent Liabilities

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

Holidays Act Compliance – schools payroll

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

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

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

22. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2022 (Capital commitments 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).



23. Financial Instruments

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

Financial assets measured at amortised cost

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	103,705	57,920	104,420
Receivables	70,350	68,358	42,046
Investments - Term Deposits	-	-	-
	<u>174,055</u>	<u>126,278</u>	<u>146,466</u>

Financial liabilities measured at amortised cost

Payables	54,879	50,982	49,553
Borrowings - Loans	8,765	20,841	15,142
Finance Leases	16,052	14,103	18,345
	<u>79,696</u>	<u>85,926</u>	<u>83,040</u>

24. Events After Balance Date

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

25. Comparatives

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



Hamilton Seventh-Day Adventist School

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Stephen Petrie	Presiding Member	Elected	Sep 2022
Matthew Ockleston	Presiding Member	Appointed	Sep 2025
Shaun Hurlow	Principal	ex Officio	
Stephanie Magee	Parent Representative	Elected	Sep 2025
Israel O'Dea	Parent Representative	Elected	Sep 2025
Joseph Shaw	Parent Representative	Elected	Sep 2025
Tarani Wilson	Parent Representative	Elected	Sep 2025
Belinda Ninah-Gangadeen	Staff Representative	Elected	Sep 2025
Pr Michael Falzarano	Proprietors Representative	Appointed	Sep 2025
Owen Dunstone	Proprietors Representative	Appointed	Sep 2025
Leighton Fletcher	Proprietors Representative	Appointed	Sep 2025

Hamilton Seventh-Day Adventist School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2022, the school received total Kiwisport funding of \$1,383 (excluding GST). The funding was spent on sporting endeavours.

Statement of Compliance with Employment Policy

For the year ended 31st December 2022 the Hamilton Seventh-Day Adventist 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.

Statement of Variance Reporting



School Name:	Hamilton Seventh-day Adventist School	School Number:	4105
Strategic Aim:	Curriculum - Increase Achievement Outcomes in Writing		
Annual Aim:	<ul style="list-style-type: none"> 80% of students achieve at/above Targeted focus on Maori Learning & Boys 		
Target:	<ul style="list-style-type: none"> Maori Students - 80% at/above Boys - 80% at/above Year 7 - 70% at/above 		
Baseline Data:	<ul style="list-style-type: none"> Maori Students - 46% below (6 students) Boys - 39% below (11 students) Year 7 - 70% Below (7 students) 		

Statement of Variance Reporting

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ul style="list-style-type: none"> Students set goals for writing using progressions in kids speak Support new Teachers to implement our writing programme across the school to ensure that there is consistency across all year levels (PLD) PLD in researched methods on how to engage students in learning that supports teacher inquiry Track target student progress Staff meetings that focus on student achievement and collaborative problem solving to support at risk learners Introduce buddy writing program Support teachers to wrap inquiry around target students Engage with families whose attendance is at critical level ESOL funding and support 	<p>End of Year Writing Target Data:</p> <ul style="list-style-type: none"> Maori Students - 82% at/above Boys - 74% at/above Year 7 - 67% at/above <p>Over Writing Data: (80.4% at/above)</p> <ul style="list-style-type: none"> 9% increase of students at/above 66% made accelerated progress 25% made 1 years progress 9% made less than a years progress <p>Target Students Date:</p> <ul style="list-style-type: none"> 12 of the 18 target students made accelerated progress 6 of the 8 students targeted for acceleration made more than 1 years progress. 	<p>More intentional teaching based on the needs of students as a result of formative assessment practices</p> <p>RTLb Support to equip teachers</p> <p>Working closely with whānau</p> <p>IEP's - more focused goals specific to each student with an IEP</p> <p>More regular reporting on achievement of our students targeted for acceleration to the BOT</p> <p>Reflections recorded in Target Students Data that demonstrate an inquiry into the impact of teachers teaching programmes</p> <p>Responding to reflections</p> <p>Intentional building of strong learning relationships with students</p> <p>Increased student agency</p> <p>Learning progressions available in child speak</p> <p>Regular check-ins and collaborative conversations around students and their learning progress and behaviour</p>	<p>Continue with interventions (ESOL).</p> <p>Some of our ESOL students have a specialist language teacher to support learning.</p> <p>Inquire into proven practices that boost boy's literacy.</p> <p>Ongoing tracking of target students and wrap around inquiry.</p>
<p>Planning for next year</p>			
<p>In 2023, the Board of Trustees will regularly track progress of target students (Termly report), SLT will lead staff meetings on initiatives and inquiry to support target learners.</p>			



Compliance with Education and Training Act 2020 requirements to be a good employer for the year ending 31 December 2022.

The following questions address key aspects of compliance with a good employer policy:

Reporting on the principles of being a Good Employer	
How have you met your obligations to provide good and safe working conditions?	Follow H&S Guidelines. Staff feedback on H&S in meetings.
What is in your equal employment opportunities programme? How have you been fulfilling this programme?	EEO Policy that we adhere to.
How do you practise impartial selection of suitably qualified persons for appointment?	All candidates information is shared with the appointments committee.
How are you recognising, <ul style="list-style-type: none"> The aims and aspirations of Maori, The employment requirements of Maori, and Greater involvement of Maori in the Education service? 	Incorporating te reo into our program & having Maori support our program through instruction (Kapa Haka)
How have you enhanced the abilities of individual employees?	Through PLD, Growth Cycle, allowing growth conversations.
How are you recognising the employment requirements of women?	We are supporting them well in their varying roles & responsibilities
How are you recognising the employment requirements of persons with disabilities?	We address these on a case by case basis.

Good employer policies should include provisions for an Equal Employment Opportunities (EEO) programme/policy. The Ministry of Education monitors these policies:

Reporting on Equal Employment Opportunities (EEO) Programme/Policy	YES	NO
Do you operate an EEO programme/policy?	✓	
Has this policy or programme been made available to staff?	✓	
Does your EEO programme/policy include training to raise awareness of issues which may impact EEO?		✓
Has your EEO programme/policy appointed someone to coordinate compliance with its requirements?	✓	
Does your EEO programme/policy provide for regular reporting on compliance with the policy and/or achievements under the policy?		✓
Does your EEO programme/policy set priorities and objectives?	✓	✓