

MANUREWA SOUTH SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number:	1355
Principal:	Tone Kolose
School Address:	33 Tawa Cres, Manurewa, Auckland
School Postal Address:	33 Tawa Cres, Manurewa, Auckland
School Phone:	09-266-8341
School Email:	tonek@manurewasouth.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires
Kevin Gallagher	Chair Person	Re-Elected 2022	June 2025
Tone Kolose	Principal		
Tina Thompson	Parent Rep	Re-Elected 2022	June 2025
Terita Rapana	Parent Rep	Elected 2022	June 2025
Percilla Heteraka	Staff Rep	Re-Elected 2022	June 2025
Arlesher Kaumavae	Parent Rep	Co-opted 2019	June 2025
Terri Martin	Parent Rep	Elected 2019	June 2025
Gaynor Falconer	Parent Rep	Elected 2019	June 2025

Accountant / Service Provider: Gail Bond - Money Monitors

MANUREWA SOUTH SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Manurewa South School

Statement of Responsibility

For the year ended 31 December 2023

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2023 fairly reflects the financial position and operations of the school.


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

Kevin Gallagher

Full Name of Presiding Member

TONE KOLOSE

Full Name of Principal



Signature of Presiding Member



Signature of Principal

27/7/2024

Date:

27/7/2024

Date:

Manurewa South School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	4,348,445	3,535,274	4,038,765
Locally Raised Funds	3	161,889	100,500	198,857
Interest Earned		20,264	2,000	4,732
		<hr/>	<hr/>	<hr/>
		4,530,597	3,637,774	4,242,355
Expenses				
Locally Raised Funds	3	112,189	67,000	106,188
Learning Resources	4	3,061,031	2,644,232	2,735,628
Administration	5	604,894	172,768	586,176
Interest	5	3,499		
Property	6	848,603	684,596	757,118
		<hr/>	<hr/>	<hr/>
		4,630,214	3,568,596	4,185,110
Net Surplus		(99,617)	69,178	57,243
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(99,617)	69,178	57,243

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.

Manurewa South School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Actual 2023 \$	Budget (Unaudited) 2023 \$	Actual 2022 \$
Balance at 1 January	<u>722,279</u>	<u>722,279</u>	<u>479,756</u>
Total comprehensive revenue and expense for the year	(99,618)	69,178	57,242
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	12,886	-	185,280
Equity at 31 December	<u>635,548</u>	<u>791,457</u>	<u>722,279</u>
Retained Earnings	635,548	791,457	722,279
Reserves	-	-	-
Equity at 31 December	<u>635,548</u>	<u>791,457</u>	<u>722,279</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.

Manurewa South School

Statement of Financial Position

As at 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	499,726	601,417	770,239
Accounts Receivable	8	218,900	228,585	228,585
GST Receivable		44,592	-	-
Inventories	9	8,953	9,499	9,499
Investments	10	12,063	11,547	11,547
Prepayments		15,000	7,585	7,585
		<u>799,234</u>	<u>858,633</u>	<u>1,027,455</u>
Current Liabilities				
Accounts Payable	12	429,470	261,548	261,547
Provision for Cyclical Maintenance	13	86,063	58,153	58,153
Finance Lease Liability - Current Portion	14	7,002	8,890	8,890
Funds held for Capital Works Projects	15	24,521	222,091	222,091
		<u>547,056</u>	<u>550,681</u>	<u>550,681</u>
Working Capital Surplus		252,178	307,952	476,774
Non-current Assets				
Property, Plant and Equipment	11	447,610	567,432	329,432
		<u>447,610</u>	<u>567,432</u>	<u>329,432</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	51,745	64,430	64,430
Finance Lease Liability	14	12,495	19,497	19,497
		<u>64,240</u>	<u>83,927</u>	<u>83,927</u>
Net Assets		<u>635,548</u>	<u>791,457</u>	<u>722,279</u>
Equity		<u>635,548</u>	<u>791,457</u>	<u>722,279</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Manurewa South School

Statement of Cash Flows

For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		1,653,266	1,150,826	1,546,014
Locally Raised Funds		167,496	100,500	193,250
Goods and Services Tax (net)		(60,124)	30,526	30,527
Payments to Employees		(797,047)	(614,323)	(781,981)
Payments to Suppliers		(1,046,951)	(346,841)	(655,897)
Interest Received		20,264	2,000	4,732
Net cash from / (to) the Operating Activities		(63,095)	322,689	336,645
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(197,189)	(60,011)	(64,179)
Purchase of Investments		11,547	-	(229)
Net cash from / (to) the Investing Activities		(185,642)	(60,011)	(64,408)
Cash flows from Financing Activities				
Furniture and Equipment Grant		(12,886)	-	163,403
Finance Lease Payments		(8,890)	-	(15,686)
Net cash from Financing Activities		(21,776)	-	147,717
Net increase/(decrease) in cash and cash equivalents		(270,513)	262,678	419,954
Cash and cash equivalents at the beginning of the year	7	770,239	338,739	350,286
Cash and cash equivalents at the end of the year	7	499,726	601,417	770,239

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 omitted.

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

Manurewa South School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2023

a) Reporting Entity

Manurewa South 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 of Trustees (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 reports have been prepared for the period 1 January 2023 to 31 December 2023 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure 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 long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenances disclosed at note 13.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

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 recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of 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 expense that is offset by a non-cash grant from the Ministry.

e) 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.

f) 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.

g) 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.

h) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for 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.

i) Inventories

Inventories are consumable items held for sale and comprise 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.

j) 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.

k) 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 to buildings owned by the Crown 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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements – Crown	10-75 years
Furniture and equipment	10-15 years
Information and communication technology	4-5 years
Leased assets held under a Finance Lease	Term of lease
Library resources	12.5% Diminishing value

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. 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.

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

m) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders 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 to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve 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.

n) 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 to funds to be used for their intended purpose at any time.

o) Provision for Cyclical Maintenance

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

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

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

p) 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 categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

q) 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.

r) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

2. Government Grants

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Government Grants - Ministry of Education	1,137,651	968,326	1,371,858
Teachers' salaries grants	2,169,339	1,929,182	1,948,994
Use of Land and Buildings grants	530,222	455,266	503,063
Other MoE Grants	511,233	182,500	214,849
	<u>4,348,445</u>	<u>3,535,274</u>	<u>4,038,765</u>

The school has opted in to the donations scheme for this year. Total amount received was \$55,791. (2022: \$54,900)

3. Locally Raised Funds

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

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations & Bequests	46,908	25,000	72,048
Fundraising & Community Grants	59,480	28,000	63,773
Trading	29,380	45,000	36,410
Fees for Extra Activities	26,122	2,500	26,626
	<u>161,889</u>	<u>100,500</u>	<u>198,857</u>
Expenses			
Extra Curricular Activities Costs	38,561	6,000	30,287
Trading	40,442	37,000	38,371
Fundraising and Community Grant Costs	33,186	24,000	37,529
	<u>112,189</u>	<u>67,000</u>	<u>106,188</u>
<i>Surplus for the year Locally raised funds</i>	<u>49,701</u>	<u>33,500</u>	<u>92,669</u>

4. Learning Resources

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	79,908	86,050	86,639
Information and communication technology	19,599	20,000	20,924
Library resources	56	2,000	858
Employee benefits - salaries	2,868,660	2,459,182	2,548,904
Staff development	13,797	17,000	13,170
Depreciation	79,011	60,000	65,134
	<u>3,061,031</u>	<u>2,644,232</u>	<u>2,735,628</u>

5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	9,199	8,768	9,032
Board of Trustees Fees	3,995	3,000	2,930
Board of Trustees Expenses	9,896	13,500	10,607
Communication	3,550	4,750	5,058
Consumables	14,448	17,200	16,317
Other	450,817	27,550	397,763
Employee Benefits - Salaries	91,076	77,500	124,243
Insurance	11,910	7,000	6,727
Service Providers, Contractors and Consultancy	13,500	13,500	13,500
	<u>608,393</u>	<u>172,768</u>	<u>586,176</u>

6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	90,060	72,250	79,385
Cyclical Maintenance Provision	21,827	10,000	24,354
Grounds	16,547	13,000	16,711
Heat, Light and Water	59,552	49,622	39,582
Repairs and Maintenance	22,001	21,958	17,619
Use of Land and Buildings	530,222	455,266	503,063
Security	25,949	7,500	6,630
Employee Benefits - Salaries	82,444	55,000	69,774
	<u>848,603</u>	<u>684,596</u>	<u>757,118</u>

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

7. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	499,726	601,417	770,239
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>499,726</u>	<u>601,417</u>	<u>770,239</u>

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

8. Accounts Receivable

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	-	46,300	5,607
Banking Staff underuse from the Ministry of Education	36,310	-	40,693
Receivables from the Ministry of Education	-	-	-
Interest Receivable	-	-	-
Teacher Salaries Grant Receivable	182,590	182,285	182,285
	<u>218,900</u>	<u>228,585</u>	<u>228,585</u>
Receivables from Exchange Transactions	-	-	-
Receivables from Non-Exchange Transactions	218,900	228,585	143,321
	<u>218,900</u>	<u>228,585</u>	<u>143,321</u>

9. Inventories

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	1,749	702	702
School Uniforms	7,204	8,797	8,797
	<u>8,953</u>	<u>9,499</u>	<u>9,499</u>

10. Investments

The School's investment activities are classified as follows:

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	12,063	11,547	11,547

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2023.

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building Improvements	79,417	-	-	-	(4,742)	74,675
Furniture and Equipment	147,113	155,496	-	-	(29,263)	273,347
Information and Communication	62,837	40,176	-	-	(30,965)	72,048
Leased Equipment	25,425	-	-	-	(12,153)	13,273
Library Resources	14,640	1,516	-	-	(1,888)	14,268
Balance at 31 December 2023	329,432	197,187	-	-	(79,011)	447,610

The net carrying value of Information & Communication held under a finance lease is \$25,425 (2021: \$9,830)

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.

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	203,496	(128,821)	74,675	203,496	(124,079)	79,417
Furniture and Equipment	995,205	(721,858)	273,347	839,708	(692,595)	147,113
Information and Communication	583,067	(509,967)	73,100	541,838	(479,001)	62,837
Leased Equipment	73,671	(60,399)	13,273	73,671	(48,246)	25,425
Library Resources	53,560	(40,344)	13,216	53,096	(38,456)	14,640
Balance at 31 December 2023	1,908,998	(1,461,388)	447,610	1,711,809	(1,382,379)	329,432

12. Accounts Payable

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Creditors	129,028	25,080	25,080
Accruals	13,559	10,152	10,152
GST Payable	-	15,531	15,531
Banking Staffing Overuse	71,617	-	-
Employee Entitlements - salaries	182,590	182,285	182,285
Employee Entitlements - leave accrual	32,677	28,499	28,499
	<u>429,470</u>	<u>261,548</u>	<u>261,547</u>
Payables for Exchange Transactions	429,470	261,548	261,547
	<u>429,470</u>	<u>261,548</u>	<u>261,547</u>

The carrying value of payables approximates their fair value.

13. Provision for Cyclical Maintenance

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	122,583	122,583	98,229
Increase to the Provision During the Year	-	-	24,354
Adjustment to the Provision	15,225	-	-
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>137,808</u>	<u>122,583</u>	<u>122,583</u>
Cyclical Maintenance - Current	86,063	58,153	58,153
Cyclical Maintenance - Term	51,745	64,430	64,430
	<u>137,808</u>	<u>122,583</u>	<u>122,583</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. The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan.

14. Finance Lease Liability

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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	7,002	8,890	8,890
Later than One Year and no Later than Five Years	12,495	19,497	19,407
Later than Five Years	-	-	-
	<u>19,497</u>	<u>28,387</u>	<u>28,297</u>
Represented by			
Finance lease liability - Current	7,002	8,900	8,900
Finance lease liability - Term	12,495	19,497	19,497
	<u>19,497</u>	<u>28,397</u>	<u>28,397</u>

15. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

		2023	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
5YP Blk 3 ILE DQLS	<i>In progress</i>		24,618	-	(33,287)		(8,670)
5YP Blk 11 Staffroom Upgrade	<i>In progress</i>		187,859	20,752	(244,869)	-	(36,258)
5YP Window Project	<i>In progress</i>		-	152,050	(127,529)	-	24,521
							-
Totals			212,477	172,802	(405,685)	-	(20,406)

Represented by:

Funds Held on Behalf of the Ministry of Education		24,521
Funds Due from the Ministry of Education		(44,928)
		(20,407)

		2022	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
5YP Blk 3 ILE DQLS	<i>Completed</i>		-	47,476	(22,859)		24,618
5YP Blk 11 Staffroom Upgrade	<i>In progress</i>		15,911	204,574	(32,626)	-	187,859
SIPS Roof Work	<i>In progress</i>		45,000		(45,000)	-	-
							-
Totals			60,911	252,050	(100,485)	-	212,477

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 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.

The following transactions were conducted at arms length during the year:

Deanne Gallagher is employed by the School as a Student Aide. She is the wife of Kevin Gallagher who is on the Board of Trustees. Her salary was in the band of \$80,000 to \$85,000 (2022: \$80,000 to \$85,000)

Vanessa Kolose is employed by the School as a teacher. She is the wife of the school Principal. Her salary band for the year was between \$75,000 to \$80,000 (2022: \$65,000 to \$70,000)

Victoria Kolose is employed by the school as a teacher aide. She is the daughter of the school Principal. Her salary band for the year was between \$3,000 to \$5,000. (2022:\$10,000 to \$15,000)

17. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	3,995	2,930
Full-time equivalent members		0.46
<i>Leadership Team</i>		
Remuneration	380,179	419,734
Full-time equivalent members	3.00	4.00
Total key management personnel remuneration	384,174	422,664
Total full-time equivalent personnel	3.00	4.00

There are 5 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160-170	160-170
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

Other Employees

The number of other employees with remuneration greater than \$100,000 was in the following bands.

Remuneration \$000	2023 FTE Number \$000	2022 FTE Number \$000
100-110	3	1
	3	1

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

18. Contingencies

There are no contingent liabilities except as noted below and no contingent assets as at **31 December 2023** (Contingent liabilities and assets at **31 December 2022**: nil).

Holidays Act Compliance - schools payroll

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

The Ministry continues to review the Schools Sector Payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise calculations and the potential impacts of specific individuals. As such, this is expected to resolve the liability for school boards.

Pay equity settlement wash-up amounts

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

19. Commitments

(a) Capital Commitments

As at 31 December 2023 the Board has not entered into any contracts.

(Capital commitments at 31 December 2022: nil)

(b) Operating Commitments

As at 31 December 2023 the Board has not entered into any contracts.

(Capital commitments at 31 December 2022: nil)

20. Financial Instruments

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

Loans and receivables

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	499,726	601,417	770,239
Receivables	218,900	228,585	228,585
Investments - Term Deposits	12,063	11,547	11,547
Total Cash and Receivables	<u>730,689</u>	<u>841,549</u>	<u>1,010,371</u>

Financial liabilities measured at amortised cost

Payables	429,470	261,548	261,547
Finance Leases	19,497	28,387	28,387
Total Financial Liabilities Measured at Amortised Cost	<u>448,967</u>	<u>289,934</u>	<u>289,933</u>

21. Events After Balance Date

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

22. Comparatives

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