

FERGUSON INTERMEDIATE SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 1274

Principal: Sathasivan (Ronnie) Govender

School Address: Ferguson Road, Otara, Auckland

School Postal Address: PO Box 61140, Otara, Auckland 2159

School Phone: 09 274 8471

School Email: office@fergusonint.school.nz

Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Tofamamao Paniani	Presiding Member	Elected 2022	2025
Ronnie Govender	Principal ex Officio		
Kaharau Wharemate	Parent Rep	Elected 2022	2025
Joseph Pao	Parent Rep	Elected 2022	2025
Elizabeth Makoni	Parent Rep	Elected 2022	2025
Imteeaz Mohammed	Staff Rep	Elected 2022	2025

Accountant / Service Provider: Ask Accounting Ltd

FERGUSON INTERMEDIATE SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Ferguson Intermediate School

Statement of Responsibility

For the year ended 31 December 2023

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 2023 fairly reflects the financial position and operations of the school.

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

Tofanawad Panrani

Full Name of Presiding Member

Sathasivan Rommie Govender

Full Name of Principal

Panrani

Signature of Presiding Member

Govender

Signature of Principal

31/5/24

Date:

31/5/24

Date:

Ferguson Intermediate School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue				
Government Grants	2	4,886,713	4,032,455	4,508,128
Locally Raised Funds	3	226,887	159,000	257,352
Interest		37,619	10,000	9,788
Gain on Sale of Property, Plant and Equipment		1,092	-	-
Other Revenue		11,590	-	-
Total Revenue		5,163,901	4,201,455	4,775,268
Expense				
Locally Raised Funds	3	85,017	146,000	68,465
Learning Resources	4	3,203,712	2,706,733	2,693,916
Administration	5	642,501	237,366	710,725
Interest		2,345	1,700	1,575
Property	6	1,177,131	1,106,132	1,130,699
Loss on Disposal of Property, Plant and Equipment		123	-	1,731
Total Expense		5,110,829	4,197,931	4,607,111
Net Surplus / (Deficit) for the year		53,072	3,524	168,157
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		53,072	3,524	168,157

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

Ferguson Intermediate School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January	1,549,982	1,549,982	1,363,629
Total comprehensive revenue and expense for the year	53,072	3,524	168,157
Contributions from / (Distributions to) the Ministry of Education	-	-	-
Contribution - Furniture and Equipment Grant	30,205	-	18,196
Equity at 31 December	1,633,259	1,553,506	1,549,982
Accumulated comprehensive revenue and expense	1,633,259	1,553,506	1,549,982
Equity at 31 December	1,633,259	1,553,506	1,549,982

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.

Ferguson Intermediate School

Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	7	813,213	933,514	720,470
Accounts Receivable	8	225,287	176,100	170,498
GST Receivable		37,225	34,598	34,598
Prepayments		10,618	370	-
Inventories	9	-	(76,500)	8,993
Investments	10	115,588	-	110,665
Funds Receivable for Capital Works Projects	16	137,172	-	26,456
		<u>1,339,103</u>	<u>1,068,082</u>	<u>1,071,680</u>
Current Liabilities				
Accounts Payable	12	394,549	256,169	338,565
Revenue Received in Advance	13	-	110	110
Provision for Cyclical Maintenance	14	62,900	64,098	59,538
Finance Lease Liability	15	7,053	9,700	8,763
Funds held for Capital Works Projects	16	181,268	102,000	102,574
		<u>645,770</u>	<u>432,077</u>	<u>509,550</u>
Working Capital Surplus/(Deficit)		693,333	636,005	562,130
Non-current Assets				
Property, Plant and Equipment	11	1,017,812	963,655	1,013,221
		<u>1,017,812</u>	<u>963,655</u>	<u>1,013,221</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	50,663	39,154	25,369
Finance Lease Liability	15	27,223	7,000	-
		<u>77,886</u>	<u>46,154</u>	<u>25,369</u>
Net Assets		<u><u>1,633,259</u></u>	<u><u>1,553,506</u></u>	<u><u>1,549,982</u></u>
Equity		<u><u>1,633,259</u></u>	<u><u>1,553,506</u></u>	<u><u>1,549,982</u></u>

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

Ferguson Intermediate School

Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash flows from Operating Activities				
Government Grants		1,376,961	1,310,661	1,780,078
Locally Raised Funds		245,186	158,924	243,538
Goods and Services Tax (net)		(2,627)	-	(11,215)
Payments to Employees		(718,245)	(776,141)	(573,332)
Payments to Suppliers		(621,611)	(483,262)	(1,103,700)
Interest Paid		(2,345)	(1,700)	(1,575)
Interest Received		35,797	10,078	8,193
Net cash from/(to) Operating Activities		313,116	218,560	341,987
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		1,092	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(207,571)	(142,063)	(343,284)
Purchase of Investments		(4,923)	-	(1,750)
Proceeds from Sale of Investments		-	110,665	-
Net cash from/(to) Investing Activities		(211,402)	(31,398)	(345,034)
Cash flows from Financing Activities				
Furniture and Equipment Grant		30,205	-	18,196
Finance Lease Payments		(7,155)	-	(12,046)
Funds Administered on Behalf of Other Parties		(32,021)	25,882	(161,629)
Net cash from/(to) Financing Activities		(8,971)	25,882	(155,479)
Net increase/(decrease) in cash and cash equivalents		92,743	213,044	(158,526)
Cash and cash equivalents at the beginning of the year	7	720,470	720,470	878,996
Cash and cash equivalents at the end of the year	7	813,213	933,514	720,470

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, use of land and buildings grant and expense and other notional items 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.

Ferguson Intermediate School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

Ferguson Intermediate 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 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 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 14.

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 15.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) 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.

e) 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.

f) 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.

g) Inventories

Inventories are consumable items held for sale and are 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.

h) 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 material.

i) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

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

j) 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.

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 surplus or deficit.

The reversal of an impairment loss is recognised in 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.

k) 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.

l) 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 and annual leave earned, by non teaching staff, 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.

m) Revenue Received in Advance

Revenue received in advance relates to fees received from students 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 are earned.

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 Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the 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 initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

The School's financial liabilities comprise accounts payable, and finance lease liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

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.

s) 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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Government Grants - Ministry of Education	1,778,994	1,260,661	1,761,485
Teachers' Salaries Grants	2,303,620	1,954,667	1,960,923
Use of Land and Buildings Grants	804,099	767,127	767,127
Other Government Grants	-	50,000	18,593
	<u>4,886,713</u>	<u>4,032,455</u>	<u>4,508,128</u>

The school has opted in to the donations scheme for this year. Total amount received was \$61,186.

3. Locally Raised Funds

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue			
Donations & Bequests	156,783	100,000	195,359
Fees for Extra Curricular Activities	1,919	4,000	4,892
Trading	68,185	55,000	57,101
	<u>226,887</u>	<u>159,000</u>	<u>257,352</u>
Expense			
Extra Curricular Activities Costs	11,688	110,000	10,869
Trading	73,329	36,000	57,596
	<u>85,017</u>	<u>146,000</u>	<u>68,465</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>141,870</u>	<u>13,000</u>	<u>188,887</u>

4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	98,339	97,500	68,542
Information and Communication Technology	66,318	53,000	47,667
Library Resources	1,149	2,000	8,084
Employee Benefits - Salaries	2,782,424	2,328,667	2,292,703
Staff Development	19,957	26,000	25,770
Depreciation	235,525	199,566	251,150
	<u>3,203,712</u>	<u>2,706,733</u>	<u>2,693,916</u>

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	7,384	7,200	7,169
Board Fees	9,505	8,000	8,237
Board Expenses	20,208	18,000	40,295
Communication	7,728	10,200	7,874
Consumables	12,765	17,000	16,271
Other	410,337	18,650	441,031
Employee Benefits - Salaries	158,995	143,100	177,491
Insurance	4,851	5,216	3,543
Service Providers, Contractors and Consultancy	10,728	10,000	8,814
	<u>642,501</u>	<u>237,366</u>	<u>710,725</u>

6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	27,103	23,500	25,308
Consultancy and Contract Services	64,551	64,500	62,063
Cyclical Maintenance	39,012	44,505	58,550
Grounds	16,063	21,500	18,777
Heat, Light and Water	52,748	40,000	47,826
Repairs and Maintenance	43,121	24,000	29,713
Use of Land and Buildings	804,099	767,127	767,127
Security	27,513	23,000	22,785
Employee Benefits - Salaries	102,921	98,000	98,550
	<u>1,177,131</u>	<u>1,106,132</u>	<u>1,130,699</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 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Bank Accounts	334,837	373,514	256,593
Short-term Bank Deposits	478,376	560,000	463,877
Cash and cash equivalents for Statement of Cash Flows	<u>813,213</u>	<u>933,514</u>	<u>720,470</u>

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

Of the \$813,213 Cash and Cash Equivalents, \$181,268 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings.

8. Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Receivables	7,105	14,000	13,924
Interest Receivable	4,000	2,100	2,178
Teacher Salaries Grant Receivable	214,182	160,000	154,396
	<u>225,287</u>	<u>176,100</u>	<u>170,498</u>
Receivables from Exchange Transactions	11,105	16,100	16,102
Receivables from Non-Exchange Transactions	214,182	160,000	154,396
	<u>225,287</u>	<u>176,100</u>	<u>170,498</u>

9. Inventories

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Stationery	-	8,500	372
School Uniforms	-	(85,000)	8,621
	<u>-</u>	<u>(76,500)</u>	<u>8,993</u>

10. Investments

The School's investment activities are classified as follows:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	115,588	-	110,665
	<u>115,588</u>	<u>-</u>	<u>110,665</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Buildings	-	22,999	-	-	(144)	22,855
Furniture and Equipment	676,239	82,974	(1,729)	-	(120,287)	637,197
Information and Communication Technology	319,096	36,722	-	-	(108,228)	247,590
Motor Vehicles	-	63,570	-	-	(1,060)	62,510
Textbooks	1,016	-	-	-	(457)	559
Leased Assets	10,738	39,208	(7,263)	-	(4,128)	38,555
Library Resources	6,132	3,635	-	-	(1,221)	8,546
Balance at 31 December 2023	1,013,221	249,108	(8,992)	-	(235,525)	1,017,812

The net carrying value of furniture and equipment held under a finance lease is \$38,555 (2022: \$10,738).

Restrictions

With the exception of the contractual restrictions related to the above noted finance leases, 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
	\$	\$	\$	\$	\$	\$
Buildings	22,999	(144)	22,855	-	-	-
Furniture and Equipment	1,383,467	(746,270)	637,197	2,478,367	(1,802,128)	676,239
Information and Communication Technology	828,873	(581,283)	247,590	1,370,674	(1,051,578)	319,096
Motor Vehicles	63,570	(1,060)	62,510	-	-	-
Textbooks	82,544	(81,985)	559	106,143	(105,127)	1,016
Leased Assets	39,208	(653)	38,555	52,809	(42,071)	10,738
Library Resources	31,383	(22,837)	8,546	27,749	(21,617)	6,132
Balance at 31 December 2023	2,452,044	(1,434,232)	1,017,812	4,035,742	(3,022,521)	1,013,221

12. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	60,467	167,169	86,959
Accruals	7,384	-	7,169
Banking Staffing Overuse	2,826	-	-
Employee Entitlements - Salaries	224,070	89,000	156,140
Employee Entitlements - Leave Accrual	99,802	-	88,297
	394,549	256,169	338,565
Payables for Exchange Transactions	394,549	256,169	338,565
	394,549	256,169	338,565

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Other revenue in Advance	-	110	110
	<u>-</u>	<u>110</u>	<u>110</u>

14. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	84,907	25,369	64,339
Increase to the Provision During the Year	24,519	77,883	58,525
Use of the Provision During the Year	(10,356)	-	(37,957)
Other Adjustments	14,493	-	-
Provision at the End of the Year	<u>113,563</u>	<u>103,252</u>	<u>84,907</u>
Cyclical Maintenance - Current	62,900	64,098	59,538
Cyclical Maintenance - Non current	50,663	39,154	25,369
	<u>113,563</u>	<u>103,252</u>	<u>84,907</u>

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

15. Finance Lease Liability

The School has entered into a lease agreement with Toshiba for the photocopier machines. Minimum lease payments payable:

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	9,540	9,700	9,123
Later than One Year and no Later than Five Years	31,005	7,000	-
Later than Five Years	-	-	(360)
Future Finance Charges	(6,269)	-	-
	<u>34,276</u>	<u>16,700</u>	<u>8,763</u>
Represented by			
Finance lease liability - Current	7,053	9,700	8,763
Finance lease liability - Non current	27,223	7,000	-
	<u>34,276</u>	<u>16,700</u>	<u>8,763</u>

16. 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 projects is included under cash and cash equivalents in note 7.

2023	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Roofing - Project Number 208745	-	-	(97,204)	-	(97,204)
SIP Outdoor Canopy - Project Number 223126	102,574	21,437	(112,010)	-	12,001
MOE Blk 9	(24,956)	-	(1,029)	-	(25,985)
MOE Staffroom Repairs - School Project 226175	(1,500)	-	(12,483)	-	(13,983)
MOE 2023 Drainage Project 240012	-	25,097	(3,250)	-	21,847
MOE 5YA Supp Project Number 240011	-	484,646	(337,226)	-	147,420
Totals	76,118	531,180	(563,202)	-	44,096

Represented by:

Funds Held on Behalf of the Ministry of Education	181,268
Funds Receivable from the Ministry of Education	(137,172)

2022	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Roofing Project Number 208745	(7,387)	14,082	(6,695)	-	-
Block 3ILE	(2,476)	2,672	(196)	-	-
Block 2ILE	60,196	64,265	(124,461)	-	-
SIP Outdoor Canopy 223126	187,256	-	(84,682)	-	102,574
Electrical Upgrade 2021	158	-	(158)	-	-
MOE Blk 9	-	-	(24,956)	-	(24,956)
MOE Staffroom Repairs 226175	-	-	(1,500)	-	(1,500)
Totals	237,747	81,019	(242,648)	-	76,118

Represented by:

Funds Held on Behalf of the Ministry of Education	102,574
Funds Receivable from the Ministry of Education	(26,456)

17. 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.

18. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	9,505	8,237
<i>Leadership Team</i>		
Remuneration	506,276	489,295
Full-time equivalent members	4	4
Total key management personnel remuneration	515,781	497,532

There are 5 members of the Board excluding the Principal. The Board has held 14 full meetings of the Board in the year. The Board also has Finance (3 members) and Property (3 members) committees that meet monthly. As well as these regular meetings, including preparation time, the Presiding member and other Board members may 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:

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160-170	150-160
Benefits and Other Emoluments	1-5	1-5

Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	7	2
110-120	0	1
120-130	2	1
	9	4

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

19. 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).

The Board has been notified of a dispute concerning a former staff member. The Board has not recognised this matter in the financial statements because the matter is still under investigation.

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 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.

20. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$633,049 (2022: \$247,610) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
Roofing	426,429	285,922	140,507
SIP Outdoor Canopy	306,306	285,111	21,195
MOE Blk 9	200,000	25,985	174,015
MOE Staffroom Repairs - School Project 226175	18,512	15,857	2,655
MOE 2023 Drainage 240012	75,056	3,250	71,806
MOE 5YA Supp	560,097	337,226	222,871
Total	1,586,400	953,351	633,049

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Cash and Cash Equivalents	813,213	933,514	720,470
Receivables	225,287	176,100	170,498
Investments - Term Deposits	115,588	-	110,665
Total financial assets measured at amortised cost	<u>1,154,088</u>	<u>1,109,614</u>	<u>1,001,633</u>

Financial liabilities measured at amortised cost

Payables	394,549	256,169	338,565
Finance Leases	34,276	16,700	8,763
Total financial liabilities measured at amortised cost	<u>428,825</u>	<u>272,869</u>	<u>347,328</u>

22. Events After Balance Date

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