

BIRCHVILLE SCHOOL

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024



Ministry Number: 2810

Principal: Robyn Brown

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Accountant/Service Provider: Accounting for Schools Limited

BIRCHVILLE SCHOOL

Annual Financial Statements - For the year ended 31 December 2024

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BIRCHVILLE SCHOOL
Statement of Responsibility
For the year ended 31 December 2024


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 2024 fairly reflects the financial position and operations of the School.


The School's 2024 financial statements are authorised for issue by the Board.

Kathryn Wilson
Full Name of Presiding Member


Signature of Presiding Member

27 May, 2025
Date:

Robyn Brown
Full Name of Principal


Signature of Principal

27/05/2025
Date:

BIRCHVILLE SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2024

		2024	2024	2023
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	1,452,146	1,355,377	1,442,248
Locally Raised Funds	3	85,829	59,150	163,943
Use of Land and Buildings Integrated		-	-	-
Interest Revenue		9,370	-	7,516
		<u>1,547,345</u>	<u>1,414,527</u>	<u>1,613,707</u>
Expenses				
Locally Raised Funds	3	45,700	9,650	20,271
Learning Resources	4	1,073,182	1,030,580	1,108,266
Administration	5	146,712	133,631	132,531
Property	6	309,309	275,874	316,070
Interest Expense		850	750	970
Unrealised Loss on Revaluation of Shares		(199)	-	468
		<u>1,575,554</u>	<u>1,450,485</u>	<u>1,578,576</u>
Net Surplus / (Deficit)		(28,209)	(35,958)	35,131
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		(28,209)	(35,958)	35,131

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

BIRCHVILLE SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2024

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Balance at 1 January	336,401	336,401	306,070
Total comprehensive revenue and expense for the year	(28,209)	(35,958)	35,131
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	10,332
Te Mana Tuuhono	-	-	14,982
BOT Contribution to Capital Works Projects	-	-	(30,114)
Equity at 31 December	308,192	300,443	336,401
Accumulated Comprehensive Revenue and Expense	308,192	300,443	336,401
Equity at 31 December	308,192	300,443	336,401

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.

BIRCHVILLE SCHOOL
Statement of Financial Position
As at 31 December 2024

		2024	2024	2023
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	7	37,883	100,191	125,726
Accounts Receivable	8	83,395	91,000	90,078
GST Receivable		4,254	5,000	4,786
Investments	9	72,094	-	-
Funds held for Capital Works Projects	15	18,100	-	12,369
Prepayments		11,806	7,000	7,113
		227,532	203,191	240,072
Current Liabilities				
Accounts Payable	11	98,589	108,000	111,463
Finance Lease Liability	14	5,854	5,000	5,774
Funds held for Capital Works Projects	15	9,759	-	-
Revenue Received in Advance	12	773	10,000	10,965
Provision for Cyclical Maintenance	13	-	8,000	9,000
		114,975	131,000	137,202
Working Capital Surplus		112,557	72,191	102,870
Non-current Assets				
Investments	9	4,559	4,000	4,360
Property, Plant and Equipment	10	262,053	275,252	283,428
		266,612	279,252	287,788
Non-current Liabilities				
Provision for Cyclical Maintenance	13	69,150	45,000	47,750
Finance Lease Liability	14	1,827	6,000	6,507
		70,977	51,000	54,257
Net Assets		308,192	300,443	336,401
Equity		308,192	300,443	336,401

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

BIRCHVILLE SCHOOL
Statement of Cash Flows
For the year ended 31 December 2024

	2024	2024	2023
Note	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Cash flows from Operating Activities			
Government Grants	458,287	380,504	467,143
Locally Raised Funds	75,341	(40,719)	168,190
Goods and Services Tax (net)	535	(218)	(5,849)
Payments to Employees	(321,562)	(200,852)	(368,517)
Payments to Suppliers	(213,586)	(149,955)	(349,573)
Interest Paid	(850)	(750)	(970)
Interest Received	6,684	7	7,116
Net cash from / (to) the Operating Activities	4,849	(11,983)	(82,460)
Cash flows from Investing Activities			
Purchase of PPE (and Intangibles)	(20,553)	(25,000)	(162,447)
Proceeds from Sale of Investments	(71,567)	360	67,947
Net cash from / (to) the Investing Activities	(92,120)	(24,640)	(94,500)
Cash flows from Financing Activities			
Furniture and Equipment Grant	-	-	25,314
Finance Lease Payments	(4,600)	(1,281)	(1,532)
Funds Administered on Behalf of Other Parties	4,028	12,369	(93,916)
Net cash from Financing Activities	(572)	11,088	(70,134)
Net increase/(decrease) in cash and cash equivalents	(87,843)	(25,535)	(247,094)
Cash and cash equivalents at the beginning of the year	7 125,726	125,726	372,820
Cash and cash equivalents at the end of the year	7 37,883	100,191	125,726

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

BIRCHVILLE SCHOOL

Notes to the Financial Statements For the year ended 31 December 2024

1. Statement of Accounting Policies

a) Reporting Entity

Birchville 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 reports have been prepared for the period 1 January 2024 to 31 December 2024 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 \$33 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

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 maintenance is disclosed at note 13.

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. Future operating lease commitments are disclosed in note 20b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

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 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 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) 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.

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 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.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

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:

Buildings	5 - 30 years
Furniture & Equipment	5 - 10 years
Information Technology	3 - 5 years
Leased Assets	3 - 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. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

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.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

l) 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, and also 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.

m) Funds Held for Capital Works

The School directly receives funding from the Ministry of Education for capital works projects that are included in the school five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Revenue and Expense. The school holds sufficient funds to enable the funds to be used for their intended purpose at any time.

n) Revenue Received in Advance

Revenue received in advance relates to grants received where there are unfulfilled obligations for the School to provide services in the future. The grants are recorded as revenue as the obligations are fulfilled and the grants earned.

The School holds sufficient funds to enable the refund of unearned revenues, should the School be unable to provide the services to which they relate.

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 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.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

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.

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 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.

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.

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.

BIRCHVILLE SCHOOL

Notes to the Financial Statements For the year ended 31 December 2024

2. Government Grants

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Government Grants - Ministry of Education	456,073	370,504	466,326
Other government grants	2,214	-	6,758
Teachers' salaries grants	808,986	800,000	787,844
Use of Land and Buildings grants	184,873	184,873	181,320
	<u>1,452,146</u>	<u>1,355,377</u>	<u>1,442,248</u>

3. Locally Raised Funds

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

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Revenue			
Fees for Extra Curricular Activities	17,566	9,650	13,873
Donations & Bequests	200	100	5
Fundraising & Community Grants	36,514	45,000	143,612
Other revenue	2,517	-	2,330
Trading	29,032	4,400	4,123
	<u>85,829</u>	<u>59,150</u>	<u>163,943</u>
Expenses			
Extra Curricular Activities Costs	13,404	6,150	10,075
Fundraising and Community Grant Costs	28,669	-	5,353
Trading	3,627	3,500	4,843
	<u>45,700</u>	<u>9,650</u>	<u>20,271</u>
<i>Surplus for the year Locally raised funds</i>	<u>40,129</u>	<u>49,500</u>	<u>143,672</u>

4. Learning Resources

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Curricular	23,395	15,200	21,652
Depreciation	41,928	33,180	41,496
Employee benefits - salaries	989,133	960,000	1,033,835
Information and communication technology	2,743	3,000	4,368
Library resources	72	1,200	2,118
Staff development	15,911	18,000	4,797
	<u>1,073,182</u>	<u>1,030,580</u>	<u>1,108,266</u>

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

5. Administration

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Audit Fee	9,585	7,200	6,521
Board of Trustees Expenses	674	1,000	626
Board of Trustees Fees	2,475	5,500	3,255
Communication	900	900	900
Consumables	2,565	3,200	1,979
Employee Benefits - Salaries	107,161	94,000	95,559
Insurance	1,336	1,000	1,281
Other	13,886	11,831	14,322
Service Providers, Contractors and Consultancy	8,130	9,000	8,088
	146,712	133,631	132,531

6. Property

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Caretaking and Cleaning Consumables	10,097	9,500	10,343
Consultancy and Contract Services	8,835	-	28,720
Cyclical Maintenance Provision	12,400	12,200	24,169
Employee Benefits - Salaries	29,964	36,301	27,872
Grounds	287	400	313
Heat, Light and Water	24,659	13,000	20,458
Rates	3,151	2,000	1,926
Repairs and Maintenance	33,456	16,600	18,761
Security	1,587	1,000	2,188
Use of Land and Buildings	184,873	184,873	181,320
	309,309	275,874	316,070

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.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

7. Cash and Cash Equivalents

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Cash on Hand	200	-	200
Bank Current Account	34,885	100,191	122,805
Savings Account	2,798	-	2,721
Cash and cash equivalents for Cash Flow Statement	<u>37,883</u>	<u>100,191</u>	<u>125,726</u>

Of the \$37,883 Cash and Cash Equivalents, \$9,759 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 and include retentions on the projects, if applicable. The funds are required to be spent in 2025 on Crown owned school buildings.

8. Accounts Receivable

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Receivables	2,392	91,000	2,096
Receivables from the Ministry of Education	2,701	-	21,048
Interest	2,166	-	7
Teacher Salaries Grant Receivable	76,136	-	66,927
	<u>83,395</u>	<u>91,000</u>	<u>90,078</u>
Receivables from Exchange Transactions	4,558	91,000	2,103
Receivables from Non-Exchange Transactions	78,837	-	87,975
	<u>83,395</u>	<u>91,000</u>	<u>90,078</u>

9. Investments

The School's investment activities are classified as follows:

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Current Asset			
Short-term Bank Deposits	72,094	-	-
Non-current Asset			
List Company Shares (Vector Limited)	4,559	4,000	4,360
	<u>76,653</u>	<u>4,000</u>	<u>4,360</u>

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2024						
Buildings	141,873	5,000	-	-	(3,674)	143,199
Furniture & Fittings	93,244	9,501	-	-	(19,899)	82,846
Information Technology	34,766	4,695	-	-	(12,263)	27,198
Leased Assets	11,259	1,228	-	-	(5,805)	6,682
Library Resources	2,286	129	-	-	(287)	2,128
Balance at 31 December 2024	283,428	20,553	-	-	(41,928)	262,053

The net carrying value of equipment held under a finance lease is \$6,682 (2023: \$11,259).

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.

	2024 Cost or Valuation \$	2024 Accumulated Depreciation \$	2024 Net Book Value \$	2023 Cost or Valuation \$	2023 Accumulated Depreciation \$	2023 Net Book Value \$
Buildings	172,545	(29,346)	143,199	167,545	(25,672)	141,873
Furniture & Fittings	290,654	(207,808)	82,846	310,445	(217,201)	93,244
Information Technology	140,571	(113,373)	27,198	180,464	(145,698)	34,766
Leased Assets	39,278	(32,596)	6,682	56,821	(45,562)	11,259
Library Resources	4,599	(2,471)	2,128	4,470	(2,184)	2,286
Balance at 31 December	647,647	(385,594)	262,053	719,745	(436,317)	283,428

11. Accounts Payable

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Creditors	12,206	10,000	15,416
Accruals	8,285	5,000	25,569
Employee Entitlements - salaries	76,135	93,000	66,927
Employee Entitlements - leave accrual	1,963	-	3,551
	98,589	108,000	111,463
Payables for Exchange Transactions	98,589	108,000	111,463
	98,589	108,000	111,463

The carrying value of payables approximates their fair value.

BIRCHVILLE SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2024

12. Revenue Received in Advance

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Grants in Advance - Ministry of Education	-	10,000	10,202
Other revenue in advance	773	-	763
	<u>773</u>	<u>10,000</u>	<u>10,965</u>

13. Provision for Cyclical Maintenance

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Provision at the Start of the Year	56,750	56,750	47,581
Increase to the Provision During the Year	11,280	12,200	11,275
Adjustment to the Provision	1,120	-	12,894
Use of the Provision During the Year	-	(15,950)	(15,000)
Provision at the End of the Year	<u>69,150</u>	<u>53,000</u>	<u>56,750</u>
Cyclical Maintenance - Current	-	8,000	9,000
Cyclical Maintenance - Non Current	69,150	45,000	47,750
	<u>69,150</u>	<u>53,000</u>	<u>56,750</u>

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 and photocopiers. Minimum lease payments payable:

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
No Later than One Year	6,286	6,000	6,691
Later than One Year and no Later than Five Years	1,936	7,000	7,204
Future Finance Charges	(541)	(2,000)	(1,614)
	<u>7,681</u>	<u>11,000</u>	<u>12,281</u>
Represented by			
Finance Lease Liability - Current	5,854	5,000	5,774
Finance Lease Liability - Non Current	1,827	6,000	6,507
	<u>7,681</u>	<u>11,000</u>	<u>12,281</u>

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

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 projects is under cash and cash equivalents in note 7:

	2024	Opening Balances	Receipts from MoE	Payments	BOT Contribution	Closing Balances
		\$	\$	\$	\$	\$
Weathertightness Project	<i>In Progress</i>	(12,369)	539,884	(517,756)	-	9,759
Internal Doors	<i>In Progress</i>	-	-	(18,100)	-	(18,100)
Totals		(12,369)	539,884	(535,856)	-	(8,341)

Represented by:

Funds Held on Behalf of the Ministry of Education	9,759
Funds Due from the Ministry of Education	(18,100)
	<u>(8,341)</u>

	2023	Opening Balances	Receipts from MoE	Payments	Board Contribution	Closing Balances
		\$	\$	\$	\$	\$
Outdoor Learning Space	<i>Completed</i>	(3,165)	33,385	(59,811)	29,591	-
Fire Alarm Upgrade - Project 218	<i>Completed</i>	(8,842)	8,842	-	-	-
Classroom Upgrade	<i>Completed</i>	22,244	4,964	(27,208)	-	-
Weathertightness Project	<i>In Progress</i>	41,196	-	(53,565)	-	(12,369)
Totals		51,433	47,191	(140,584)	29,591	(12,369)

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Due from the Ministry of Education	(12,369)
	<u>(12,369)</u>

16. Related Party Transactions

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

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

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.

	2024 Actual \$	2023 Actual \$
Board Members Remuneration	2,475	3,255
Leadership Team Remuneration Full-time equivalent members	257,867 2	250,198 2
Total key management personnel remuneration	260,342	253,453
Total full-time equivalent personnel	2	2

There are 6 members of the Board excluding the Principal. The Board had held 7 full meetings of the Board in the year. The Board also has two Finance members and two Property members that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal(s)

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

	2024 Actual \$000	2023 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	140 - 150
Benefits and Other Emoluments	4 - 5	4 - 5

Other Employees

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

Remuneration \$000	2024 FTE Number	2023 FTE Number
100 - 110	4	3
	4	3

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

18. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, 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:

	2024 Actual \$	2023 Actual \$
Total	-	-
Number of People	-	-

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

19. Contingencies

There are no contingent liabilities and no contingent assets (except as noted below) as at 31 December 2024 (Contingent liabilities and assets at 31 December 2023: nil).

Pay Equity Settlement Wash Up

In 2024 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 yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2024. The Ministry is in the process of determining the amount of the final wash up payment for the year ended 31 December 2024. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The School has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2025.

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.

20. Commitments

(a) Capital Commitments

At 31 December 2024, the Board had capital commitments of \$10,742 (2023: \$102,244) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Weathertightness	610,184	600,425	9,759
Internal Doors	19,083	18,100	983
Total	629,267	618,525	10,742

The Board receives funding from the Ministry of Education for Capital Works which is disclosed in note 15.

(b) Operating Commitments

As at 31 December 2024 the Board has no operating commitments (2023: nil).

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

21. Financial Instruments

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

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Financial assets measured at amortised cost			
Cash and Cash Equivalents	37,883	100,191	125,726
Receivables	83,395	91,000	90,078
Investments - Term Deposits	72,094	-	-
Total Financial assets measured at amortised cost	<u>193,372</u>	<u>191,191</u>	<u>215,804</u>
Financial liabilities measured at amortised cost			
Payables	98,589	108,000	111,463
Finance Leases	7,681	11,000	12,287
Total Financial Liabilities Measured at Amortised Cost	<u>106,270</u>	<u>119,000</u>	<u>123,744</u>

22. Events After Balance Date

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

BIRCHVILLE SCHOOL

Members of the Board

For the year ended 31 December 2024

Name	Position	How position on Board gained	Occupation	Term expired/expires
Jess Athukorala	Presiding Member	Re-elected August 2022	Teacher	May 2025
Robyn Brown	Principal	Appointed September 2017	Principal	
Amit Kakroo	Parent Rep	Elected August 2022	IT Consultant	May 2025
Justin McLeary	Parent Rep	Elected August 2022	Army Officer	May 2025
Marie Vanderweg	Parent Rep	Elected August 2022	Project Manager	May 2025
Kathryn Wilson	Parent Rep	Elected August 2022	NZ Police	May 2025
Jarod Summers	Staff Rep	Re-elected August 2022	Teacher	May 2025
Kelly Salter	Secretary		Office Manager	

BIRCHVILLE SCHOOL

Kiwisport / Statement of Compliance with Employment Policy For the year ended 31 December 2024

Kiwisport is a Government funding initiative to support student participation in organised sport.

In 2024 the School received funding of \$1,911 (2023: \$1,904).

The funding was used to support the school wide sports programme and provide educational activities outside the classroom.

The Kiwisport funding did not cover all the above expenses, so the balance was subsidised by the Board through the bulk grant.

Statement of Compliance with Employment Policy

For the year ended 31 December 2024 the Birchville School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspect 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 contract of all staff employed by the Board.
- Ensures all employees and applicants for employments are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF BIRCHVILLE SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Auditor-General is the auditor of Birchville School (the School). The Auditor-General has appointed me, Geoff Potter, using the staff and resources of BDO Wellington Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 20, that comprise the *statement of financial position* as at 31 December 2024, the *statement of comprehensive revenue and expense*, *statement of changes in net assets/equity* and *statement of cash flows* for the year ended on that date, and *the notes to the financial statements that include accounting policies and other explanatory information*.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2024 and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity (PPE) Standards Reduced Disclosure Regime.

Our audit was completed on 27 May 2025. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

The Board's responsibilities arise from section 134 of the Education and Training Act 2020.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 21 to 22, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Geoff Potter
BDO WELLINGTON AUDIT LIMITED
On behalf of the Auditor-General
Wellington, New Zealand