OWHIRO BAY SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Address:	Happy Valley Road, Owhiro Bay, Wellington
Principal:	Cilla Scott
School Phone:	04 383 7189
School Email:	office@owhiro.school.nz
Ministry Number:	2942
Accounting Provider:	Accounting For Schools Ltd

OWHIRO BAY SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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OWHIRO BAY 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.

CHRISTOPHER LAWRENCE LOVEDAY
Full Name of Presiding Member

Cilla Scott PRISCILLA BARBARA SCOTT
Full Name of Principal

Signature of Presiding Member

Signature of Principal

30/05/2024
Date:

30/05/2024
Date:

OWHIRO BAY 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	1,310,624	1,244,204	1,343,788
Locally Raised Funds	3	58,741	35,075	46,809
Interest		13,099	2,000	3,622
Total Revenue		1,382,464	1,281,279	1,394,219
Expenses				
Locally Raised Funds	3	7,285	2,575	8,134
Learning Resources	4	898,991	864,212	943,186
Administration	5	95,323	69,974	121,850
Interest		476	500	309
Property	6	293,396	338,642	321,317
Loss on Disposal of Property, Plant and Equipment		2,536	-	392
Total Expenses		1,298,007	1,275,903	1,395,188
Net Surplus / (Deficit) for the year		84,457	5,376	(969)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		84,457	5,376	(969)

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

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Statement of Changes in Net Assets/Equity
For the year ended 31 December 2023

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Balance at 1 January	316,192	398,655	398,660
Total comprehensive revenue and expense for the year	84,457	5,376	(969)
Contributions from / (Distributions to) the Ministry of Education	-	-	(88,097)
Contribution - Furniture and Equipment Grant	-	-	6,598
Equity at 31 December	400,649	404,031	316,192
Accumulated comprehensive revenue and expense	400,649	404,031	316,192
Equity at 31 December	400,649	404,031	316,192

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.

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OWHIRO BAY 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	223,557	266,224	163,947
Accounts Receivable	8	57,054	61,000	63,355
Funds receivable for Capital Works Projects	16	12,278	-	11,643
GST Receivable		1,822	3,001	3,209
Inventories	9	475	410	426
Investments	10	100,000	63,000	63,207
Prepayments		18,265	6,500	7,270
		413,451	400,135	313,057
Current Liabilities				
Accounts Payable	12	81,907	71,000	70,786
Funds held for Capital Works Projects		15,850	-	-
Finance Lease Liability	15	2,462	500	424
Provision for Cyclical Maintenance	14	-	5,000	9,929
Revenue Received in Advance	13	2,625	-	-
		102,844	76,500	81,139
Working Capital Surplus/(Deficit)		310,607	323,635	231,918
Non-current Assets				
Property, Plant and Equipment	11	99,933	111,596	117,889
		99,933	111,596	117,889
Non-current Liabilities				
Finance Lease Liability	15	2,212	1,200	1,211
Provision for Cyclical Maintenance	14	7,679	30,000	32,400
		9,891	31,200	33,611
Net Assets		400,649	404,031	316,196
Equity		400,649	404,031	316,192

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

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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		362,625	296,205	384,230
Locally Raised Funds		61,366	45,150	46,809
Goods and Services Tax (net)		1,385	206	1,670
Payments to Employees		(192,208)	(155,500)	(232,657)
Payments to Suppliers		(157,669)	(168,158)	(178,614)
Interest Paid		(476)	(500)	(309)
Interest Received		13,491	2,711	3,859
Net cash from/(to) the Operating Activities		88,514	20,114	24,988
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(4,530)	(12,215)	(48,311)
Purchase of Investments		(36,793)	-	226,371
Proceeds from Sale of Investments		-	207	-
Net cash from/(to) the Investing Activities		(41,323)	(12,008)	178,060
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	(81,499)
Finance Lease Payments		(2,796)	65	3,047
Funds Administered on Behalf of Third Parties		15,215	11,643	(11,972)
Contributions from / (Distributions to) Ministry of Education				
Funds Administered on Behalf of Other Parties				
Net cash from Financing Activities		12,419	11,708	(90,424)
Net increase/(decrease) in cash and cash equivalents		59,610	19,814	112,624
Cash and cash equivalents at the beginning of the year	7	163,947	163,947	51,323
Cash and cash equivalents at the end of the year	7	223,557	183,761	163,947

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.

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OWHIRO BAY SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity
Owhiro Bay School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation
Reporting Period
The financial reports have been prepared for the period 1 January 2023 to 31 December 2023 and in accordance with the requirements of the Education and Training Act 2020.

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

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

PBE Accounting Standards Reduced Disclosure Regime
The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of $30 million per year. All relevant reduced disclosure concessions have been taken.

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

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

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

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

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

Cyclical maintenance
A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

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

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

Classification of leases
Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 14. Future operating lease commitments are disclosed in note 21b.

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.

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

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

d) Operating Lease Payments
Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

e) Finance Lease Payments
Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

f) Cash and Cash Equivalents
Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

g) Accounts Receivable
Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

h) Inventories
Inventories are consumable items held for sale and comprise of stationery. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

i) Investments
Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

j) Property, Plant and Equipment
Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

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

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

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

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

Finance Leases
A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether 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:

Building improvements to Crown Owned Assets	10–75 years
Furniture and Equipment	10–15 years
Information and Communication Technology	3 - 5 years
Leased Assets held under a Finance Lease	3 - 5 years
Library Resources	12.5% Diminishing value
Playground & Ground Improvements	10–15 years

k) 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.

l) 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.

m) Employee Entitlements
Short-term employee entitlements
Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, 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.

n) Revenue Received in Advance
Revenue received in advance relates to fees received from students and grants received, where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

o) Funds Held in Trust
Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

p) 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.

q) Shared Funds
Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

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

s) 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, 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.

t) 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.

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

v) 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	345,381	295,705	388,880
Other government grants	17,244	500	851
Teachers' salaries grants	675,139	675,139	711,503
Use of Land and Buildings grants	272,860	272,860	242,554
	1,310,624	1,244,204	1,343,788

3. Locally Raised Funds

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

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Revenue			
Fundraising & Grants	21,999	15,000	16,012
Donations & Bequests	15,454	13,000	16,290
Curriculum Recoveries	-	1,000	-
Other revenue	17,632	5,000	5,085
Trading	3,656	1,075	9,422
	58,741	35,075	46,809
Expenses			
Extra Curricular Activities Costs	2,952	1,500	-
Trading	4,333	1,075	8,134
	7,285	2,575	8,134
Surplus for the year Locally raised funds	51,456	32,500	38,675

4. Learning Resources

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Curricular	28,747	27,173	29,798
Depreciation	25,782	18,500	27,324
Employee Benefits - Salaries	815,638	790,639	871,961
Information and Communication Technology	6,890	5,900	5,291
Library Resources	724	2,000	670
Staff Development	21,210	20,000	8,142
	898,991	864,212	943,186

5. Administration

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Audit Fee	7,153	6,944	8,479
Board of Trustees Expenses	6,163	3,000	30,228
Board of Trustees Fees	2,870	3,000	2,900
Communication	1,034	750	971
Consumables	2,258	2,300	2,803
Employee Benefits - Salaries	59,974	40,000	62,654
Insurance	7,106	6,680	6,172
Operating Lease	-	-	78
Other	1,089	1,300	642
Service Providers, Contractors and Consultancy	7,676	6,000	6,923
	95,323	69,974	121,850

6. Property

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Caretaking and Cleaning Consumables	6,078	4,180	4,855
Consultancy and Contract Services	24,688	22,152	27,324
Cyclical Maintenance Expense	(34,650)	8,500	18,286
Grounds	7,548	6,950	6,319
Heat, Light and Water	4,972	5,000	5,050
Rates	1,679	3,500	2,981
Repairs and Maintenance	8,446	14,500	12,930
Security	1,775	1,000	1,018
Use of Land and Buildings	272,860	272,860	242,554
	293,396	338,642	321,317

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 Current Account	22,456	106,600	(5,171)
Bank Call Account	201,101	15,000	169,118
Short-term Bank Deposits	-	-	-
Bank Overdraft	-	-	-
Cash equivalents and bank overdraft for Cash Flow Statement	223,557	266,224	163,947

8. Accounts Receivable

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Receivables	1,150	-	10,059
Receivables from the Ministry of Education	4,720	-	-
Interest Receivable	319	-	711
Teacher Salaries Grant Receivable	50,865	61,000	52,585
	57,054	61,000	63,355
Receivables from Exchange Transactions	1,469	-	711
Receivables from Non-Exchange Transactions	55,585	61,000	62,644
	57,054	61,000	63,355

9. Inventories

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Stationery	475	410	426

10. Investments

The School's investment activities are classified as follows:

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Current Asset			
Short-term Bank Deposits	100,000	63,000	63,207

11. Property, Plant and Equipment

2023	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	Total (NBV) $
Buildings	5,910	-	-	-	(743)	5,167
Furniture and Equipment	46,522	-	-	-	(9,614)	36,908
Information Technology	10,108	2,675	-	-	(5,295)	7,488
Leased Assets	1,361	5,835	-	-	(2,859)	4,337
Library Resources	519	-	-	-	(24)	495
Playground & Ground Improvements	53,465	1,856	(2,536)	-	(7,247)	45,538
Balance at 31 December 2023	117,885	10,366	(2,536)	-	(25,782)	99,933

The net carrying value of equipment held under a finance lease is $4,336 (2022: $1,360).

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 Cost or Valuation $	2023 Accumulated $	2023 Net Book Value $	2022 Cost or Valuation $	2022 Accumulated Depreciation $	2022 Net Book Value $
Buildings	10,350	(5,184)	5,166	10,351	(4,441)	5,910
Furniture and Equipment	144,331	(107,423)	36,908	144,329	(97,807)	46,522
Information Technology	102,056	(94,569)	7,487	99,381	(89,273)	10,108
Leased Assets	13,040	(8,704)	4,336	7,206	(5,845)	1,361
Library Resources	827	(332)	495	827	(308)	519
Playground & Ground Improvements	138,938	(93,401)	45,537	143,050	(89,585)	53,465
Balance at 31 December 2023	409,542	(309,613)	99,929	405,144	(287,259)	117,885

12. Accounts Payable

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Creditors	15,129	-	6,141
Accruals	11,873	-	6,945
Employee Entitlements - salaries	51,975	71,000	53,541
Employee Entitlements - leave accrual	2,930	-	4,159
	81,907	71,000	70,786
Payables for Exchange Transactions	81,907	71,000	70,786
	81,907	71,000	70,786

The carrying value of payables approximates their fair value.

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13. Revenue Received in Advance

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Ministry of Education Funding	2,625	-	-

14. Provision for Cyclical Maintenance

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Provision at the Start of the Year	42,329	42,329	24,043
Increase to the Provision During the Year	11,853	8,500	15,286
Other Adjustments	33,497	(15,829)	3,000
Use of the Provision During the Year	(80,000)	-	-
Provision at the End of the Year	7,679	35,000	42,329
Cyclical Maintenance - Current	-	5,000	9,929
Cyclical Maintenance - Non Current	7,679	30,000	32,400
	7,679	35,000	42,329

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.

15. Finance Lease Liability

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

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
No Later than One Year	2,673	500	515
Later than One Year and no Later than Five Years	2,285	1,200	1,228
Future Finance Charges	(283)	-	(108)
	4,674	1,700	1,635
Represented by			
Finance lease liability - Current	2,462	500	424
Finance lease liability - Non Current	2,212	1,200	1,211
	4,674	1,700	1,635

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Notes to the Financial Statements
For the year ended 31 December 2023

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 project is included under cash and cash equivalents in note 7.

2023	Project Number	Opening Balances $	Receipts from MoE $	Payments $	BOT Contribution/ (Write-off to R&M) $	Closing Balances $
SIP; AMS; SPG A:Combined DQLS Roofing (prev two Block A projects)	*220871*	(11,643)	-	(635)	-	(12,278)
School Fence		-	31,700	(15,850)	-	15,850
Totals		(11,643)	31,700	(16,485)	-	3,572

Represented by:

Funds Held on Behalf of the Ministry of Education	15,850
Funds Due from the Ministry of Education	(12,278)
	3,572

2022	Project Number	Opening Balances $	Receipts from MoE $	Payments $	BOT Contribution/ (Write-off to R&M) $	Closing Balances $
SIP; AMS; SPG A:Combined DQLS Roofing (prev two Block A projects)	*220871*	329	44,224	(129,782)	73,586	(11,643)
Kitchen Emergency Repair	*235926*	-	12,150	(26,661)	14,511	-
		-	-	-	-	-
Totals		329	56,374	(156,443)	88,097	(11,643)

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 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.

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18. Remuneration

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

	2023 Actual $	2022 Actual $
Board Members		
Remuneration	2,870	2,900
Leadership Team		
Remuneration	245,394	175,506
Full-time equivalent members	2	2
Total key management personnel remuneration	248,264	178,406
Total full-time equivalent personnel	2	2

There are 5 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. 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
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	120 - 130	60 - 70
Benefits and Other Emoluments	3 - 4	1 - 2
Termination Benefits	-	-

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

Remuneration $000	2023 FTE	2022 FTE
110 - 120	1	1

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

19. 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:

	2023 Actual	2022 Actual
Total	-	-
Number of People	-	-

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20. Contingencies

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

Holidays Act Compliance – Schools Payroll
The Ministry of Education performs payroll processing and payments on behalf of 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.

21. Commitments

(a) Capital Commitments
At 31 December 2023, the Board had capital commitments of $15,850 (2022: Nil) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
School Fence	31,700	15,850	15,850

(b) Operating Commitments
As at 31 December 2023 the Board has not entered into any operating commitments (2022: nil).

22. Financial Instruments

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

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Financial assets measured at amortised cost			
Cash and Cash Equivalents	223,557	266,224	163,947
Receivables	57,054	61,000	63,355
Investments - Term Deposits	100,000	63,000	63,207
Total Financial Assets Measured at Amortised Cost	380,611	390,224	290,509
Financial liabilities measured at amortised cost			
Payables	27,002	71,000	13,086
Finance Leases	4,674	1,700	1,635
Total Financial Liabilities Measured at Amortised Cost	31,676	72,700	14,721

23. Events After Balance Date

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

24. Comparatives

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

BDO Wellington Audit Limited

INDEPENDENT AUDITOR'S REPORT TO THE READERS OF OWHIRO BAY SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Owhiro Bay School (the School). The Auditor-General has appointed me, Geoff Potter, using the staff and resources of BDO Wellington Audit Ltd, 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 2023, 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 2023; 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 (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 30 May 2024. 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 arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Statement of Responsibility, Presiding Members Report, Members of the Board Listing, Statement of Variance, Kiwisport Report, Report on how the school has given effect to Te Tiriti o Waitangi, Evaluation of School's Students' Progress and Achievement and the Statement of Compliance with Employment Policy, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

OWHIRO BAY SCHOOL

Members of the Board

For the year ended 31 December 2023

Name	Position	How position on Board gained	Occupation	Term expired/expires
Makere Derbyshire	Presiding Member	Elected Oct 2023	Chief Advisor Maori and Maori Engagement for the British High Commission.	Oct-26
Cilla Scott	Principal	Appointed	Principal	
Niky Clegg	Staff Rep.	Elected Nov 2023	Teacher	Nov-24
Shaun Seebaluck	Parent Rep.	Elected Oct 2023	Practice Lead - Project Management, NZ Police	Oct-26
Rebecca Barnes	Parent Rep.	Selected Nov 2022	National Security and International Policy Manager, NZ Police	Sep-25
Chris Loveday	Parent Rep.	Selected Oct 2022	Operations Manager at Epi-interactive	Sep-25

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Kiwisport / Statement of Compliance with Employment Policy
For the year ended 31 December 2023

Kiwisport is a Government funding initiative to support sport for school aged children.

In 2023 the School received Kiwi Sport funding of $1,524 (2022: $1,825).

Kiwisport funding was used to:

1. Cover registration fees for those unable to afford floorball, netball, or touch fees.
2. Transport students to the Southern Zone and Inter Zone sports event-Cross Country and Athletics.
3. Contribute towards the cost of professional swimming lessons at both Little Makos in Berhampore and WRAC (Kilbirnie Pool).

Statement of Compliance with Employment Policy

For the year ended 31 December 2023 the Owhiro Bay School Board:

- Has developed and implemented personnel polices, 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 an 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.