WAIHAO DOWNS SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number:	3567
Principal:	Kere-Pania Adams
School Address:	1139 Hakataramea Highway, RD 7, Waimate 7977
School Postal Address:	1139 Hakataramea Highway, RD 7, Waimate 7977
School Phone:	(03) 689 2734
School Email:	office@waihaodowns.school.nz

Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Dan Studholme	Presiding Member	co-opted	1/06/2025
Kere-Pania Adams	Principal		1/06/2025
Dan Higinbottom	Parent Rep	co-opted	1/06/2025
Lucy Cameron	Parent Rep	co-opted	1/06/2025
Ben Hart	Parent Rep	co-opted	1/06/2025
Sonya Henshaw	Parent Rep	co-opted	1/06/2025
Andrea Harborne	Parent Rep	co-opted	1/06/2025
Maggie Robertson	Staff Rep		1/06/2025

Accountant / Service Provider: HC Partners LP
Chartered Accountants
101 Queen Street
Waimate 7960

WAIHAO DOWNS SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

Index

Page	Statement
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 18	Notes to the Financial Statements
19	Independent Auditor's Report

Waihao Downs 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.

Dan Studholme	Maggie Robertson
Full Name of Presiding Member	Full Name of Principal
Signed by: Dan Studholme 339FCF8C11A2729D	Signed by: Maggie Robertson 9AED8EA1ABB67D1F
Signature of Presiding Member	Signature of Principal
16/07/2024	04/07/2024
Date:	Date:

Waihao Downs 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	819,089	185,063	726,534
Locally Raised Funds	3	64,615	38,755	53,037
Interest		5,747	100	683
Other Revenue		4,089	-	2,478
Total Revenue		893,540	223,918	782,732
Expense				
Locally Raised Funds	3	22,687	13,900	22,269
Learning Resources	4	558,074	75,328	527,016
Administration	5	88,535	94,284	90,610
Interest		322	3,000	288
Property	6	174,548	43,006	143,230
Total Expense		844,166	229,518	783,414
Net Surplus / (Deficit) for the year		49,374	(5,600)	(682)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		49,374	(5,600)	(682)

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

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

	Notes	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Equity at 1 January		109,529	107,656	108,336
Total comprehensive revenue and expense for the year		49,374	(5,600)	(682)
Contribution - Furniture and Equipment Grant		538	1,875	1,875
Equity at 31 December		159,441	103,931	109,529
Accumulated comprehensive revenue and expense		159,441	103,931	109,529
Equity at 31 December		159,441	103,931	109,529

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.

Waihao Downs 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	573,920	73,513	79,113
Accounts Receivable	8	62,889	306,897	306,897
Prepayments		3,220	2,855	2,855
Inventories	9	2,031	3,507	3,507
Funds Receivable for Capital Works Projects	14	64,943	82,142	40,114
		707,003	468,914	432,485
Current Liabilities				
GST Payable		67,660	31,766	31,766
Accounts Payable	11	56,244	109,116	109,116
Finance Lease Liability	13	5,901	5,593	5,593
Funds held for Capital Works Projects	14	473,315	288,030	246,002
		603,120	434,505	392,477
Working Capital Surplus/(Deficit)		103,883	34,409	40,008
Non-current Assets				
Property, Plant and Equipment	10	91,687	102,833	102,833
		91,687	102,833	102,833
Non-current Liabilities				
Provision for Cyclical Maintenance	12	30,992	24,793	24,793
Finance Lease Liability	13	5,137	8,518	8,518
		36,129	33,311	33,311
Net Assets		159,441	103,931	109,529
Equity		159,441	103,931	109,529

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

Waihao Downs School
Statement of Cash Flows
For the year ended 31 December 2023

	Note	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Cash flows from Operating Activities				
Government Grants		228,915	185,063	215,894
Locally Raised Funds		71,553	38,755	52,201
Goods and Services Tax (net)		35,894	-	31,011
Payments to Employees		(114,333)	(93,789)	(165,917)
Payments to Suppliers		(146,511)	(135,729)	(111,327)
Interest Paid		(322)	-	(288)
Interest Received		4,248	100	683
Net cash from/(to) Operating Activities		79,444	(5,600)	22,257
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(6,279)	-	(8,952)
Net cash from/(to) Investing Activities		(6,279)	-	(8,952)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	1,875
Finance Lease Payments		(3,648)	-	(6,718)
Funds Administered on Behalf of Other Parties		425,290	-	(35,411)
Net cash from/(to) Financing Activities		421,642	-	(40,254)
Net increase/(decrease) in cash and cash equivalents		494,807	(5,600)	(26,949)
Cash and cash equivalents at the beginning of the year	7	79,113	79,113	106,062
Cash and cash equivalents at the end of the year	7	573,920	73,513	79,113

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

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

Waihao Downs School
Notes to the Financial Statements
For the year ended 31 December 2023

1. Statement of Accounting Policies

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

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

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

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

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

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

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

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

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

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

Cyclical maintenance
A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 12.

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.

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

Classification of leases
Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments.Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 21.

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

c) Revenue Recognition

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The estimated useful lives of the assets are:

Building improvements	10–75 years
Board Owned Buildings	10–75 years
Furniture and equipment	2–15 years
Information and communication technology	1–5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	10% Straight Line

j) Impairment of property, plant, and equipment
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 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.

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

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

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

l) Employee Entitlements
Short-term employee entitlements
Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned, by non teaching staff, but not yet taken at balance date.

Long-term employee entitlements
Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in surplus or deficit in the period in which they arise.

m) Funds held for Capital works
The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose. As such, these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

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

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

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

o) Financial Instruments
The School's financial assets comprise cash and cash equivalents and accounts receivable. All of these financial assets are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

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

p) 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.

q) Budget Figures
The budget figures are extracted from the School budget that was approved by the Board.

r) 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	206,174	185,063	225,625
Teachers' Salaries Grants	456,648	-	395,668
Use of Land and Buildings Grants	107,123	-	82,840
Other Government Grants	49,144	-	22,401
	819,089	185,063	726,534

The school has opted in to the donations scheme for this year. Total amount received was $10,788

3. Locally Raised Funds

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
Revenue	$	$	$
Donations & Bequests	19,480	12,050	18,895
Fees for Extra Curricular Activities	16,268	6,405	9,742
Trading	4,453	-	6,249
Other Revenue	24,414	20,300	18,150
	64,615	38,755	53,036
Expense			
Extra Curricular Activities Costs	10,663	3,000	4,503
Trading	6,857	1,500	11,874
Other Locally Raised Funds Expenditure	5,167	9,400	5,892
	22,687	13,900	22,269
Surplus/ (Deficit) for the year Locally Raised Funds	41,928	24,855	30,767

4. Learning Resources

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	$	$	$
Curricular	15,843	16,977	12,262
Employee Benefits - Salaries	520,868	52,551	492,759
Staff Development	2,825	5,800	3,995
Depreciation	18,538	-	18,000
	558,074	75,328	527,016

5. Administration

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Audit Fees	4,682	3,838	4,546
Board Fees	2,965	3,000	2,910
Communication	1,828	1,464	1,737
Consumables	6,337	5,350	7,439
Operating Leases	-	839	-
Other	19,912	23,860	21,613
Employee Benefits - Salaries	39,686	41,588	40,360
Insurance	8,196	10,140	7,384
Service Providers, Contractors and Consultancy	4,929	4,205	4,621
	88,535	94,284	90,610

6. Property

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Caretaking and Cleaning Consumables	27,675	1,800	3,167
Cyclical Maintenance	6,199	-	6,197
Grounds	2,255	1,700	2,888
Heat, Light and Water	15,831	7,000	7,544
Rates	1,663	1,504	1,554
Repairs and Maintenance	8,153	3,650	10,256
Use of Land and Buildings	107,123	-	82,840
Employee Benefits - Salaries	5,649	27,352	28,784
	174,548	43,006	143,230

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

7. Cash and Cash Equivalents

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Bank Accounts	573,920	73,513	79,113
Cash and cash equivalents for Statement of Cash Flows	573,920	73,513	79,113

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

Of the $573,920 Cash and Cash Equivalents, $408,372 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings.

8. Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	$	$	$
Receivables	1,914	4,764	4,764
Receivables from the Ministry of Education	1,291	265,390	265,390
Interest Receivable	1,499	-	-
Banking Staffing Underuse	25,065	-	-
Teacher Salaries Grant Receivable	33,120	36,743	36,743
	62,889	306,897	306,897
Receivables from Exchange Transactions	3,413	4,764	4,764
Receivables from Non-Exchange Transactions	59,476	302,133	302,133
	62,889	306,897	306,897

9. Inventories

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	$	$	$
School Uniforms	2,031	3,507	3,507
	2,031	3,507	3,507

10. Property, Plant and Equipment

2023	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	**Total (NBV) $**
Land	5,000	-	-	-	-	**5,000**
Buildings	58,219	-	-	-	(1,215)	**57,004**
Furniture and Equipment	12,546	3,750	-	-	(2,744)	**13,552**
Information and Communication Technology	8,935	-	-	-	(3,903)	**5,032**
Leased Assets	9,494	3,105	-	-	(8,249)	**4,350**
Library Resources	8,639	537	-	-	(2,427)	**6,749**
Balance at 31 December 2023	102,833	7,392	-	-	(18,538)	**91,687**

The net carrying value of equipment held under a finance lease is $4,350 (2022yr : $9,495)

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 Cost or Valuation	2023 Accumulated Depreciation	2023 Net Book Value	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value
	$	$	$	$	$	$
Land	5,000	-	**5,000**	5,000	-	**5,000**
Buildings	81,000	(23,996)	**57,004**	81,000	(22,781)	**58,219**
Furniture and Equipment	96,395	(82,843)	**13,552**	92,646	(80,100)	**12,546**
Information and Communication Technology	92,650	(87,618)	**5,032**	92,650	(83,715)	**8,935**
Motor Vehicles	4,012	(4,012)	**-**	4,012	(4,012)	**-**
Leased Assets	29,767	(25,417)	**4,350**	29,192	(19,698)	**9,494**
Library Resources	46,177	(39,428)	**6,749**	45,640	(37,001)	**8,639**
Balance at 31 December 2023	355,001	(263,314)	**91,687**	350,140	(247,307)	**102,833**

11. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	$	$	$
Creditors	14,417	57,253	57,253
Accruals	8,216	8,341	8,341
Employee Entitlements - Salaries	33,120	36,743	36,743
Employee Entitlements - Leave Accrual	491	6,779	6,779
	56,244	109,116	109,116
Payables for Exchange Transactions	56,244	109,116	109,116
	56,244	109,116	109,116

The carrying value of payables approximates their fair value.

12. Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	$	$	$
Provision at the Start of the Year	24,793	24,793	18,596
Increase to the Provision During the Year	6,199	-	6,197
Provision at the End of the Year	30,992	24,793	24,793
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Non current	30,992	24,793	24,793
	30,992	24,793	24,793

Per the cyclical maintenance schedule, the school is next expected to undertake painting works during 2025. This plan is based on the schools 10 Year Property plan

13. 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	5,901	5,593	5,593
Later than One Year and no Later than Five Years	5,137	8,518	8,518
	11,038	14,111	14,111
Represented by			
Finance lease liability - Current	5,901	5,593	5,593
Finance lease liability - Non current	5,137	8,518	8,518
	11,038	14,111	14,111

14. Funds Held for Capital Works Projects

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

2023	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
	$	$	$	$	$
SIP:H&S; New administration/LSC block 225839	246,002	748,977	(521,664)		473,315
Site: New Potable Water Supply 229513	(40,114)	-	(24,829)		(64,943)
Totals	205,888	748,977	(546,493)	-	408,372
Represented by:					
Funds Held on Behalf of the Ministry of Education					473,315
Funds Receivable from the Ministry of Education					(64,943)

2022	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
	$	$	$	$	$
SIP:H&S; New administration/LSC block 225839	17,502	229,500	(1,000)		246,002
Site: New Potable Water Supply 229513	42,028	42,710	(124,851)		(40,114)
					-
Totals	59,530	272,210	(125,851)	-	205,888
Represented by:					
Funds Held on Behalf of the Ministry of Education					246,002
Funds Receivable from the Ministry of Education					(40,114)

15. 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.

16. Remuneration

Key management personnel compensation

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

	2023 Actual $	2022 Actual $
Board Members		
Remuneration	2,965	2,910
Leadership Team		
Remuneration	126,152	115,489
Full-time equivalent members	1	1
Total key management personnel remuneration	129,117	118,399

There are 7 members of the Board excluding the Principal. The Board has held 8 full meetings of the Board in the year. The Board also has 1 Finance member and 1 Property member on committee 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 1

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

Salaries and Other Short-term Employee Benefits:	2023 Actual $000	2022 Actual $000
Salary and Other Payments	120-130	110-120
Benefits and Other Emoluments	0-10	0-10

Other Employees

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

Remuneration $000	2023 FTE Number	2022 FTE Number
100-110	1	0
	1	0

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

17. Compensation and Other Benefits Upon Leaving

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

	2023 Actual	2022 Actual
Total		$0
Number of People		0

18. Contingencies

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

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

19. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of $7,014 (2022:$205,888) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	$	$	$
SIP:H&S; New administration/LSC block 225839	538,950	591,529	(52,579)
Site: New Potable Water Supply 229513	218,977	149,680	69,297
Total	**757,927**	**741,209**	**16,718**

20. Financial Instruments

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

Financial assets measured at amortised cost

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	$	$	$
Cash and Cash Equivalents	573,920	73,513	79,113
Receivables	62,889	306,897	306,897
Total financial assets measured at amortised cost	636,809	380,410	386,010
Financial liabilities measured at amortised cost			
Payables	56,244	109,116	109,116
Finance Leases	11,038	14,111	14,111
Total financial liabilities measured at amortised cost	67,282	123,227	123,227

21. Events After Balance Date

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

22. Comparatives

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

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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WAIHAO DOWN SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Waihao Downs School (the School). The Auditor-General has appointed me, Aaron Higham, using the staff and resources of BDO Invercargill, 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 18, 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 Standards, Reduced Disclosure Regime.

Our audit was completed on 16 July 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw your attention to other matters. 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.

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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.

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- 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 obtained at the date of our report is the Statement of Responsibility, Members of the Board, Statement of Variance, Evaluation and analysis of the School's students' progress and achievement, How we have given effect to Te Tiriti o Waitangi, Statement of Compliance with employment policy and Statement of Kiwisport funding, 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.

ARHigham

Aaron Higham
BDO Invercargill
On behalf of the Auditor-General
Invercargill, New Zealand

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