

# **RANZAU SCHOOL**

## **ANNUAL FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**



Ministry Number:	3214
Principal:	David Sampson
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Accountant / Service Provider:	Accounting For Schools Limited

# RANZAU SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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# RANZAU 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.

Ephraim Jacobsen

Full Name of Presiding Member



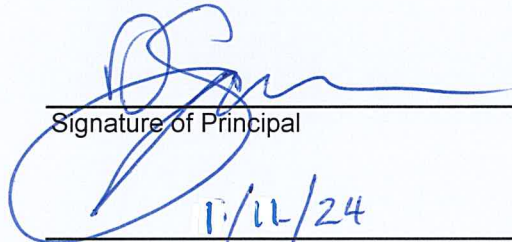
Signature of Presiding Member

1/11/24

Date:

Dave Sampson

Full Name of Principal



Signature of Principal

Date:

1/11/24

# RANZAU SCHOOL

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	1,393,340	1,376,822	1,318,952
Locally Raised Funds	3	27,180	10,875	43,713
Interest		14,023	-	2,565
Total Revenue		<u>1,434,543</u>	<u>1,387,697</u>	<u>1,365,230</u>
<b>Expenses</b>				
Locally Raised Funds	3	22,836	1,700	20,195
Learning Resources	4	1,070,161	1,070,280	1,030,162
Administration	5	100,070	90,426	75,081
Interest		985	500	551
Property	6	271,170	266,915	180,684
Total Expenses		<u>1,465,222</u>	<u>1,429,821</u>	<u>1,306,673</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>(30,679)</b>	<b>(42,124)</b>	<b>58,557</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><b>(30,679)</b></u>	<u><b>(42,124)</b></u>	<u><b>58,557</b></u>

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

# RANZAU SCHOOL

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Balance at 1 January</b>		<u>607,149</u>	<u>607,149</u>	<u>548,592</u>
Total comprehensive revenue and expense for the year		(30,679)	(42,124)	58,557
Capital Contributions from / (Distributions to) the Ministry of Education				
Contribution - Furniture and Equipment Grant		21,005	-	-
<b>Equity at 31 December</b>		<u><u>597,475</u></u>	<u><u>565,025</u></u>	<u><u>607,149</u></u>
Accumulated Comprehensive Revenue and Expenses		597,475	565,025	607,149
Reserves		-	-	-
<b>Equity at 31 December</b>		<u><u>597,475</u></u>	<u><u>565,025</u></u>	<u><u>607,149</u></u>

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.

# RANZAU SCHOOL

## Statement of Financial Position

As at 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	7	185,343	198,027	436,727
Accounts Receivable	8	76,192	77,000	85,768
Prepayments		1,214	1,000	7,252
Inventories	9	1,148	1,000	1,148
Investments	10	202,873	200,000	-
Funds receivable for Capital Works Projects	17	12,545	10,000	2,271
		<u>479,315</u>	<u>487,027</u>	<u>533,166</u>
<b>Current Liabilities</b>				
GST Payable		1,927	2,002	12,994
Accounts Payable	12	108,409	90,000	135,765
Revenue Received in Advance	13	5,658	5,000	604
Provision for Cyclical Maintenance	14	-	50,000	-
Painting Contract Liability	15	-	-	6,794
Finance Lease Liability	16	5,396	5,000	9,543
		<u>121,390</u>	<u>152,002</u>	<u>165,700</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>357,925</b>	<b>335,025</b>	<b>367,466</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	244,009	250,000	247,130
		<u>244,009</u>	<u>250,000</u>	<u>247,130</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	-	15,000	-
Finance Lease Liability	16	4,459	5,000	7,447
		<u>4,459</u>	<u>20,000</u>	<u>7,447</u>
<b>Net Assets</b>		<u><u>597,475</u></u>	<u><u>565,025</u></u>	<u><u>607,149</u></u>
<b>Equity</b>		<u><u>597,475</u></u>	<u><u>565,025</u></u>	<u><u>607,149</u></u>

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

# RANZAU SCHOOL

## Statement of Cash Flows

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		300,916	272,639	334,442
Locally Raised Funds		35,162	16,875	41,389
Goods and Services Tax (net)		(11,067)	(8,000)	2,375
Payments to Employees		(150,046)	(70,269)	(159,700)
Payments to Suppliers		(194,255)	(145,408)	(140,740)
Interest Paid		(985)	(500)	(551)
Interest Received		11,164	(1,990)	2,556
Net cash from / (to) Operating Activities		<u>(9,111)</u>	<u>63,347</u>	<u>79,771</u>
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(33,370)	(14,000)	(15,303)
Purchase of Investments		(202,873)	(200,000)	-
Net cash to Investing Activities		<u>(236,243)</u>	<u>(214,000)</u>	<u>(15,303)</u>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		21,005	-	-
Finance Lease Payments		(9,967)	(6,000)	(14,318)
Painting contract payments		(6,794)	(6,794)	(6,794)
Funds Administered on Behalf of Other Parties		(10,274)	(10,000)	(2,271)
Net cash to Financing Activities		<u>(6,030)</u>	<u>(22,794)</u>	<u>(23,383)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>(251,384)</u>	<u>(173,447)</u>	<u>41,085</u>
Cash and cash equivalents at the beginning of the year	7	436,727	371,474	395,642
<b>Cash and cash equivalents at the end of the year</b>	7	<u>185,343</u>	<u>198,027</u>	<u>436,727</u>

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.

# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 1. Statement of Accounting Policies

#### a) Reporting Entity

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

#### b) Basis of Preparation

##### *Reporting Period*

The financial reports have been prepared for the period 1 January 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 14.



# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 1. Statement of Accounting Policies

#### *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 16. 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 carryforward 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.

# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 1. Statement of Accounting Policies

#### ***Other Grants where conditions exist***

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

#### ***Donations, Gifts and Bequests***

Donations, gifts and bequests are 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 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) 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.

# RANZAU SCHOOL

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

### 1. Statement of Accounting Policies

#### 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.

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	50 years
Furniture and equipment	5 - 15 years
Information and communication technology	3 - 5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	3 - 5 years
Library resources	12.5% Diminishing value

#### **k) Intangible Assets**

##### *Software costs*

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

# RANZAU SCHOOL

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

### 1. Statement of Accounting Policies

#### l) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

##### Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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.

#### m) 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.

#### n) 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.

# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 1. Statement of Accounting Policies

#### o) Revenue Received in Advance

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

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

#### 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) 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.

#### r) 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.

#### s) 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.

#### t) Budget Figures

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

#### u) 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.

# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 2. Government Grants

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Government Grants - Ministry of Education	300,916	272,639	334,442
Teachers' Salaries Grants	888,133	899,892	810,932
Use of Land and Buildings Grants	204,291	204,291	173,578
	<u>1,393,340</u>	<u>1,376,822</u>	<u>1,318,952</u>

### 3. Locally Raised Funds

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Revenue</b>			
Donations & Bequests	4,558	9,875	6,308
Fees for Extra Curricular Activities	16,778	1,000	30,310
Trading	5,844	-	6,777
Fundraising & Community Grants	-	-	318
	<u>27,180</u>	<u>10,875</u>	<u>43,713</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	19,647	1,700	16,461
Trading	3,189	-	3,734
	<u>22,836</u>	<u>1,700</u>	<u>20,195</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>4,344</u>	<u>9,175</u>	<u>23,518</u>

### 4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	22,205	28,280	20,742
Information and Communication Technology	2,299	10,500	3,011
Library Resources	2,376	3,915	2,166
Employee Benefits - Salaries	987,136	966,255	950,179
Staff Development	16,822	19,000	11,930
Depreciation	39,323	42,330	42,134
	<u>1,070,161</u>	<u>1,070,280</u>	<u>1,030,162</u>

# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,836	4,831	5,630
Board of Trustees Fees	4,060	4,200	4,360
Board of Trustees Expenses	2,885	3,246	1,594
Communication	3,174	3,200	4,027
Consumables	22	544	55
Other	4,029	4,250	1,627
Employee Benefits - Salaries	72,916	62,465	52,066
Insurance	1,760	1,890	1,415
Service Providers, Contractors and Consultancy	6,388	5,800	4,307
	<u>100,070</u>	<u>90,426</u>	<u>75,081</u>

### 6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	2,594	2,500	2,451
Consultancy and Contract Services	31,786	26,400	27,434
Cyclical Maintenance Provision	12,973	5,000	(50,637)
Grounds	2,508	6,750	2,704
Heat, Light and Water	9,686	10,500	10,551
Repairs and Maintenance	7,332	11,474	14,603
Use of Land and Buildings	204,291	204,291	173,578
	<u>271,170</u>	<u>266,915</u>	<u>180,684</u>

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

### 7. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	178,007	191,027	429,574
Bank Call Account	7,336	7,000	7,153
	<u>185,343</u>	<u>198,027</u>	<u>436,727</u>

Cash and cash equivalents for Statement of Cash Flows

# RANZAU SCHOOL

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

### 8. Accounts Receivable

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	-	-	2,928
Receivables from the Ministry of Education	4,243	-	9,168
Interest Receivable	2,869	2,000	10
Teacher Salaries Grant Receivable	69,080	75,000	73,662
	<u>76,192</u>	<u>77,000</u>	<u>85,768</u>
Receivables from Exchange Transactions	76,192	77,000	85,768
	<u>76,192</u>	<u>77,000</u>	<u>85,768</u>

### 9. Inventories

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	798	1,000	798
School Uniforms	350	-	350
	<u>1,148</u>	<u>1,000</u>	<u>1,148</u>

### 10. Investments

The School's investment activities are classified as follows:

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	202,873	200,000	-
Total Investments	<u>202,873</u>	<u>200,000</u>	<u>-</u>



# RANZAU SCHOOL

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

### 11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2023</b>						
Building Improvements	152,135	-	-	-	(15,782)	136,353
Furniture and Equipment	62,548	16,768	-	-	(11,236)	68,080
Information and Communication Technology	3,407	15,114	-	-	(938)	17,583
Leased Assets	18,596	2,832	-	-	(10,095)	11,333
Library Resources	10,444	1,488	-	-	(1,272)	10,660
<b>Balance at 31 December 2023</b>	<b>247,130</b>	<b>36,202</b>	<b>-</b>	<b>-</b>	<b>(39,323)</b>	<b>244,009</b>

The net carrying value of equipment held under a finance lease is \$11,333 (2022: \$18,596).

#### Restrictions

With the exception of the contractual restrictions related to the above noted finance leases, there are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	361,389	(225,036)	136,353	361,388	(209,253)	152,135
Furniture and Equipment	296,825	(228,745)	68,080	280,057	(217,509)	62,548
Information and Communication Technology	124,735	(107,152)	17,583	109,621	(106,214)	3,407
Leased Assets	98,084	(86,751)	11,333	95,252	(76,656)	18,596
Library Resources	16,718	(6,058)	10,660	65,980	(55,536)	10,444
<b>Balance at 31 December</b>	<b>897,751</b>	<b>(653,742)</b>	<b>244,009</b>	<b>912,298</b>	<b>(665,168)</b>	<b>247,130</b>

### 12. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	11,954	10,000	15,446
Accruals	7,516	5,000	4,680
Banking Staffing Overuse	14,099	-	40,144
Employee Entitlements - Salaries	73,323	75,000	74,298
Employee Entitlements - Leave Accrual	1,517	-	1,197
	<b>108,409</b>	<b>90,000</b>	<b>135,765</b>
Payables for Exchange Transactions	108,409	90,000	135,765
	<b>108,409</b>	<b>90,000</b>	<b>135,765</b>

The carrying value of payables approximates their fair value.

# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 13. Revenue Received in Advance

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance - Ministry of Education	1,848	-	-
Other Revenue in Advance	3,810	5,000	604
	<u>5,658</u>	<u>5,000</u>	<u>604</u>

### 14. Provision for Cyclical Maintenance

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	-	-	53,368
Increase to the Provision During the Year	-	12,000	(50,637)
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	(9,785)	(2,731)
	<u>-</u>	<u>2,215</u>	<u>-</u>
Provision at the End of the Year	-	2,215	-
Cyclical Maintenance - Current	-	50,000	-
Cyclical Maintenance - Non Current	-	15,000	-
	<u>-</u>	<u>65,000</u>	<u>-</u>

The provision for cyclical maintenance was reversed in the 2022 year.

### 15. Painting Contract Liability

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Due in one year	-	-	6,794
Due after one year	-	-	-
	<u>-</u>	<u>-</u>	<u>6,794</u>

In 2017 the Board signed an agreement with Scheduled Maintenance Services Ltd (the contractor) for an agreed programme of work covering an eight year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2017, with regular maintenance in subsequent years. The agreement has an annual commitment of \$9,828. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 16. 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	6,065	5,000	10,412
Later than One Year and no Later than Five Years	4,696	5,000	8,063
Future Finance Charges	(906)	-	(1,485)
	<u>9,855</u>	<u>10,000</u>	<u>16,990</u>
<b>Represented by</b>			
Finance lease liability - Current	5,396	5,000	9,543
Finance lease liability - Non Current	4,459	5,000	7,447
	<u>9,855</u>	<u>10,000</u>	<u>16,990</u>

### 17. Funds Held for Capital Works Projects

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

	2023	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Trafficable Roofing Replacement	235866	(2,271)	7,477	(10,274)	-	(5,068)
Fencing and Gates	240219	-	46,865	(54,342)	-	(7,477)
Totals		<u>(2,271)</u>	<u>54,342</u>	<u>(64,616)</u>	<u>-</u>	<u>(12,545)</u>

#### Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Due from the Ministry of Education	(12,545)
	<u>12,545</u>

	2022	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Trafficable Roofing Replacement	235,866	-	13,855	(16,216)	-	(2,271)
Totals		<u>-</u>	<u>13,855</u>	<u>(16,216)</u>	<u>-</u>	<u>(2,271)</u>

#### Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Due from the Ministry of Education	(2,271)
	<u>2,271</u>

# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 18. 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.

### 19. Remuneration

#### Key management personnel compensation

Key management personnel of the School include all trustees of the Board and the Principal.

	2023 Actual \$	2022 Actual \$
<i>Board Members</i> Remuneration	4,060	4,360
<i>Leadership Team</i> Remuneration	264,540	328,504
Full-time equivalent members	2	3
Total key management personnel remuneration	<u>268,600</u>	<u>332,864</u>

There are six members of the Board excluding the Principal. The Board had held eight 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	140 - 150	130 - 140
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

#### Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	2	-
110 - 120	1	-

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

# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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.

#### Cyclical Maintenance

The school Board has an obligation to the Ministry of Education to maintain in good order and repair at all times the land and buildings and other facilities on the school site. The Ministry have informed the school that it will be relocating. The scope and timing of this has not yet been defined. Until such time as there is more information available on the scope of the relocation, the school cannot make a reliable estimate of the future maintenance requirements of its buildings. As a result, the school cyclical maintenance provision has been reversed in 2022.

### 21. Commitments

#### (a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$11,817 (2022: \$37,032) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Translucent Roof Replacement	37,032	25,215	11,817
Fencing and Gates	54,342	54,342	-
<b>Total</b>	<b>91,374</b>	<b>79,557</b>	<b>11,817</b>

#### (b) Operating Commitments

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

(Operating commitments at 31 December 2022: \$Nil)

# RANZAU SCHOOL

## Notes to the Financial Statements

For the year ended 31 December 2023

### 22. 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	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	185,343	198,027	436,727
Receivables	76,192	77,000	85,768
Investments - Term Deposits	202,873	200,000	-
Total Financial assets measured at amortised cost	<u>464,408</u>	<u>475,027</u>	<u>522,495</u>

#### Financial liabilities measured at amortised cost

Payables	108,409	90,000	135,765
Finance Leases	9,855	10,000	16,990
Painting Contract Liability	-	-	6,794
Total Financial Liabilities Measured at Amortised Cost	<u>118,264</u>	<u>100,000</u>	<u>159,549</u>

### 23. Events After Balance Date

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

The Ministry have informed the school that it will be relocating. The scope and timing of this has not yet been defined.

# RANZAU SCHOOL

## Members of the Board

For the year ended 31 December 2023

<b>Name</b>	<b>Position</b>	<b>How position on Board gained</b>	<b>Term expired/expires</b>
Daniel Haring	Presiding Member	Re-Elected Sep 2022	September 2025
David Sampson	Principal	Appointed	
Ephraim Jacobsen	Parent Rep	Re-Elected Sept 2022	September 2025
Shar Lowe	Parent Rep	Re-Elected Sept 2022	September 2025
Lena Kernot	Parent Rep	Re-Elected Sept 2022	September 2025
Craig Vercoe	Parent Rep	Re-Elected Sept 2022	September 2025
Declan O'Malley	Staff Rep	Elected 2023	September 2025

# **RANZAU SCHOOL**

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

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

In 2023 the School received total Kiwisport funding of \$1,919 (2022: \$2,210). The funding was spent on sports equipment, and subsidising a swimming programme for the whole school at Richmond Aquatic Centre.

### **Statement of Compliance with Employment Policy**

For the year ended 31st December 2023 the Ranzau School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspect of their employment
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contract of all staff employed by the Board.
- Ensures all employees and applicants for employments are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.