

WESTERN HEIGHTS HIGH SCHOOL

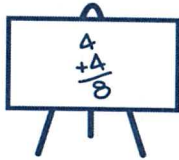
ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number:	151
Principal:	James Bracefield
School Address:	70 Old Quarry Rd, Rotorua
School Postal Address:	70 Old Quarry Rd, Rotorua
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Accountant / Service Provider:



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WESTERN HEIGHTS HIGH SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Western Heights High 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.

Daphne Williams
Full Name of Presiding Member

James Bracefield
Full Name of Principal

[Signature]
Signature of Presiding Member

[Signature]
Signature of Principal

20/8/2024
Date:

21/08/24.
Date:

Western Heights High 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	15,947,707	13,003,453	14,307,130
Locally Raised Funds	3	1,221,439	862,000	633,998
Interest		204,322	50,000	68,680
Total Revenue		17,373,468	13,915,453	15,009,808
Expense				
Locally Raised Funds	3	1,090,748	582,000	567,409
Learning Resources	4	11,024,241	10,598,800	10,120,935
Administration	5	2,370,566	993,500	2,361,339
Interest		17,877	-	12,475
Property	6	2,656,827	2,114,500	1,941,507
Total Expense		17,160,259	14,288,800	15,003,665
Net Surplus / (Deficit) for the year		213,209	(373,347)	6,143
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		213,209	(373,347)	6,143

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

Western Heights High 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		4,484,077	4,458,000	4,423,831
Total comprehensive revenue and expense for the year		213,209	(373,347)	6,143
Contributions from / (Distributions to) the Ministry of Education		-	-	-
Contribution - Furniture and Equipment Grant		-	-	54,103
Equity at 31 December		4,697,286	4,084,653	4,484,077
Accumulated comprehensive revenue and expense		4,697,286	4,084,653	4,484,077
Reserves		-	-	-
Equity at 31 December		4,697,286	4,084,653	4,484,077

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.

Western Heights High 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	1,116,414	659,653	1,240,367
Accounts Receivable	8	716,517	700,000	839,426
Prepayments		144,875	30,000	101,543
GST Receivable		117,608	30,000	35,349
Investments	9	3,105,721	2,950,000	2,969,285
Funds Receivable for Capital Works Projects	16	65,691	-	14,997
		<u>5,266,826</u>	<u>4,369,653</u>	<u>5,200,967</u>
Current Liabilities				
Accounts Payable	11	1,129,412	850,000	835,753
Revenue Received in Advance	12	434,132	100,000	339,081
Provision for Cyclical Maintenance	13	476,196	-	386,984
Finance Lease Liability	14	137,992	110,000	223,440
Funds held in Trust	15	184,924	100,000	177,423
Funds held for Capital Works Projects	16	31,723	100,000	161,096
		<u>2,394,379</u>	<u>1,260,000</u>	<u>2,123,777</u>
Working Capital Surplus/(Deficit)		2,872,447	3,109,653	3,077,190
Non-current Assets				
Property, Plant and Equipment	10	2,072,832	1,825,000	1,889,048
		<u>2,072,832</u>	<u>1,825,000</u>	<u>1,889,048</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	-	800,000	477,272
Finance Lease Liability	14	247,993	50,000	4,889
		<u>247,993</u>	<u>850,000</u>	<u>482,161</u>
Net Assets		<u><u>4,697,286</u></u>	<u><u>4,084,653</u></u>	<u><u>4,484,077</u></u>
Equity		<u><u>4,697,286</u></u>	<u><u>4,084,653</u></u>	<u><u>4,484,077</u></u>

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

Western Heights High 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		4,519,052	4,083,453	3,922,856
Locally Raised Funds		963,046	490,000	472,577
International Students		279,032	400,000	242,306
Goods and Services Tax (net)		(82,259)	-	2,899
Payments to Employees		(2,624,525)	(2,494,000)	(2,344,172)
Payments to Suppliers		(2,548,414)	(2,344,800)	(1,789,199)
Interest Paid		(17,877)	-	(12,475)
Interest Received		185,735	50,000	51,863
Net cash from/(to) Operating Activities		673,790	184,653	546,655
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(273,679)	(235,000)	(188,152)
Purchase of Investments		(136,436)	-	(1,219,971)
Net cash from/(to) Investing Activities		(410,115)	(235,000)	(1,408,123)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	54,103
Finance Lease Payments		(207,561)	(130,000)	(129,069)
Funds Administered on Behalf of Other Parties		(180,067)	-	(32,852)
Net cash from/(to) Financing Activities		(387,628)	(130,000)	(107,818)
Net increase/(decrease) in cash and cash equivalents		(123,953)	(180,347)	(969,286)
Cash and cash equivalents at the beginning of the year	7	1,240,367	840,000	2,209,653
Cash and cash equivalents at the end of the year	7	1,116,414	659,653	1,240,367

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.

Western Heights High School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

Western Heights High 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 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 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 14. 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.

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) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is material.

i) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	20–50 years
Board Owned Buildings	20–50 years
Furniture and equipment	5 -10 years
Information and communication technology	5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

j) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

In determining fair value less costs to sell, the School engages an independent valuer to assess market value based on the best available information. The valuation is based on comparison to recent market transactions..

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

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

k) Accounts Payable

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

l) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

m) Revenue Received in Advance

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

n) 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 Comprehensive Revenue and Expense.

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

o) 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.

p) 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.

q) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

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.

r) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

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.

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.

2. Government Grants

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Government Grants - Ministry of Education	6,005,885	4,083,453	5,200,456
Teachers' Salaries Grants	8,149,586	7,600,000	7,575,447
Use of Land and Buildings Grants	1,577,065	1,300,000	1,253,284
Other Government Grants	215,171	20,000	277,943
	<u>15,947,707</u>	<u>13,003,453</u>	<u>14,307,130</u>

The school has opted in to the donations scheme for this year. Total amount received was \$168,453.

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	-	-	26,448
Fees for Extra Curricular Activities	436,211	197,000	230,151
Trading	368,415	200,000	183,274
Fundraising & Community Grants	75,754	73,000	71,120
Other Revenue	82,666	192,000	28,294
International Student Fees	258,393	200,000	94,711
	<u>1,221,439</u>	<u>862,000</u>	<u>633,998</u>
Expense			
Extra Curricular Activities Costs	463,984	265,000	268,295
Trading	380,993	172,000	204,573
Other Locally Raised Funds Expenditure	12,145	10,000	202
International Student - Student Recruitment	31,842	59,000	6,309
International Student - Employee Benefits - Salaries	112,856	76,000	53,832
International Student - Other Expenses	88,928	-	34,198
	<u>1,090,748</u>	<u>582,000</u>	<u>567,409</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>130,691</u>	<u>280,000</u>	<u>66,589</u>

4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	431,838	744,800	420,392
Employee Benefits - Salaries	10,086,894	9,393,000	9,239,215
Staff Development	50,398	41,000	31,965
Depreciation	455,111	420,000	429,363
	<u>11,024,241</u>	<u>10,598,800</u>	<u>10,120,935</u>

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	19,791	13,000	10,000
Board Fees	10,670	12,000	8,910
Board Expenses	30,325	33,000	33,615
Communication	27,339	39,000	29,805
Consumables	22,099	19,000	19,647
Operating Leases	-	-	58,643
MOE Lunches	1,573,874	-	1,385,625
Legal Fees	3,111	10,000	31,056
Other	168,811	357,500	226,136
Employee Benefits - Salaries	477,533	465,000	520,000
Insurance	37,013	45,000	37,902
Service Providers, Contractors and Consultancy	-	-	-
	<u>2,370,566</u>	<u>993,500</u>	<u>2,361,339</u>

6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	27,317	25,000	21,903
Consultancy and Contract Services	238,491	225,000	230,928
Cyclical Maintenance	249,955	90,000	(114,945)
Grounds	81,580	44,000	44,521
Heat, Light and Water	176,684	157,000	154,238
Repairs and Maintenance	77,303	73,500	103,306
Use of Land and Buildings	1,577,065	1,300,000	1,253,284
Security	60,064	40,000	75,700
Employee Benefits - Salaries	168,368	160,000	172,572
	<u>2,656,827</u>	<u>2,114,500</u>	<u>1,941,507</u>

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

7. Cash and Cash Equivalents

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Bank Accounts	1,116,414	659,653	1,240,367
Cash and cash equivalents for Statement of Cash Flows	<u>1,116,414</u>	<u>659,653</u>	<u>1,240,367</u>

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

Of the \$1,116,414 Cash and Cash Equivalents, \$31,723 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.

Of the \$1,116,414 Cash and Cash Equivalents, \$195,431 of International Students Fees is held by the School. These relate to students enrolled in 2024 and the funds will need to be returned should the students not attend.

Of the \$1,116,414 Cash and Cash Equivalents, \$165,713 of Homestay Fees for International Students Fees is held by the School. These relate to students enrolled in 2024 and the funds will need to be returned should the students not attend.

8. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	2,720	-	181,699
Interest Receivable	35,404	-	16,817
Teacher Salaries Grant Receivable	678,393	700,000	640,910
	<u>716,517</u>	<u>700,000</u>	<u>839,426</u>
Receivables from Exchange Transactions	38,124	-	198,516
Receivables from Non-Exchange Transactions	678,393	700,000	640,910
	<u>716,517</u>	<u>700,000</u>	<u>839,426</u>

9. Investments

The School's investment activities are classified as follows:

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Asset			
Short-term Bank Deposits	3,105,721	2,950,000	2,969,285
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	<u>3,105,721</u>	<u>2,950,000</u>	<u>2,969,285</u>

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building Improvements	1,034,783	-	-	-	(117,600)	917,183
Furniture and Equipment	217,976	86,715	-	-	(79,972)	224,719
Information and Communication Technology	126,976	93,147	-	-	(63,962)	156,161
Motor Vehicles	92,296	72,969	-	-	(32,262)	133,003
Textbooks	218,628	20,848	-	-	(27,546)	211,930
Leased Assets	198,388	365,217	-	-	(133,769)	429,836
Balance at 31 December 2023	1,889,047	638,896	-	-	(455,111)	2,072,832

The net carrying value of furniture and equipment held under a finance lease is \$429,836 (2022: \$198,388)

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	2,842,215	(1,925,032)	917,183	2,842,215	(1,807,432)	1,034,783
Furniture and Equipment	1,383,623	(1,158,904)	224,719	1,400,987	(1,183,011)	217,976
Information and Communication Technology	543,180	(387,019)	156,161	463,966	(336,990)	126,976
Motor Vehicles	468,127	(335,124)	133,003	410,602	(318,306)	92,296
Textbooks	887,910	(675,980)	211,930	867,062	(648,433)	218,629
Leased Assets	772,879	(343,043)	429,836	787,401	(589,013)	198,388
Library Resources	306,621	(306,621)	-	306,621	(306,621)	-
Balance at 31 December 2023	7,204,555	(5,131,723)	2,072,832	7,078,854	(5,189,806)	1,889,048

11. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	329,332	100,000	82,049
Accruals	37,784	50,000	34,431
Banking Staffing Overuse	36,162	-	42,328
Employee Entitlements - Salaries	678,393	700,000	640,910
Employee Entitlements - Leave Accrual	47,741	-	36,035
	1,129,412	850,000	835,753
Payables for Exchange Transactions	1,129,412	850,000	835,753
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	1,129,412	850,000	835,753

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
International Student Fees in Advance	195,431	-	174,792
Other revenue in Advance	238,701	100,000	164,289
	<u>434,132</u>	<u>100,000</u>	<u>339,081</u>

13. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	864,256	864,256	979,201
Increase to the Provision During the Year	249,955	90,000	112,855
Use of the Provision During the Year	(638,016)	(154,256)	-
Other Adjustments	-	-	(227,800)
Provision at the End of the Year	<u>476,195</u>	<u>800,000</u>	<u>864,256</u>
Cyclical Maintenance - Current	476,196	-	386,984
Cyclical Maintenance - Non current	-	800,000	477,272
	<u>476,196</u>	<u>800,000</u>	<u>864,256</u>

Per the cyclical maintenance schedule, the school is has undertaken painting works during 2023 and Term 1 of 2024. The remaining liability is as per the total quoted in 2023.

14. 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	137,992	110,000	223,440
Later than One Year and no Later than Five Years	247,993	50,000	4,889
Later than Five Years	-	-	-
Future Finance Charges	-	-	-
	<u>385,985</u>	<u>160,000</u>	<u>228,329</u>
Represented by			
Finance lease liability - Current	137,992	110,000	223,440
Finance lease liability - Non current	247,993	50,000	4,889
	<u>385,985</u>	<u>160,000</u>	<u>228,329</u>

15. Funds held in Trust

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	184,924	100,000	177,423
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>184,924</u>	<u>100,000</u>	<u>177,423</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expense of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

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 9.

2023	Project Number	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Special Needs Sighting	217663	103	397	(500)	-	-
Outdoor Seating	223194	297	-	(34,047)	-	(33,750)
Library Heatpumps	210501	(5,137)	5,637	(500)	-	-
Fire Alarms	236066	15,728	-	(16,377)	-	(649)
Security Cameras	234799	(9,860)	-	-	-	(9,860)
Prefabricated Bathroom	235868	144,968	-	(152,347)	-	(7,379)
Electrical and Heat Pumps	245417	-	36,675	(4,952)	-	31,723
Field Remediation	245423	-	-	(6,484)	-	(6,484)
Caretakers House			22,707	(22,707)	-	-
Technical Block Recladding			-	(7,569)	-	(7,569)
Totals		146,099	65,416	(245,483)	-	(33,968)

Represented by:

Funds Held on Behalf of the Ministry of Education	31,723
Funds Receivable from the Ministry of Education	(65,691)

2022	Project Number	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Special Needs Sighting	217663	1,050	-	(947)	-	103
Outdoor Seating	223194	182,476	160,000	(342,179)	-	297
Library Heatpumps	210501	-	40,727	(45,864)	-	(5,137)
Fire Alarms	236066	-	30,000	(14,272)	-	15,728
Security Cameras	234799	(9,860)	-	-	-	(9,860)
E Block	203584	43,566	-	(43,566)	-	-
Library	202799	7,811	-	(7,811)	-	-
Science Block		(3,459)	-	-	3,459	-
Roof	210499	21,310	6,040	(37,350)	22,844	-
School House/Clear Roofing	299434	18,938	1,526	(20,464)	-	-
Gym Ceiling		(10,056)	-	-	10,056	-
Lighting and Electrical		(6,638)	-	-	6,638	-
Block A & M Flooring	210502	16,891	15,412	(32,303)	-	-
Prefabricated Bathroom	235868	-	161,425	(16,457)	-	144,968
Totals		262,029	415,130	(561,213)	42,997	146,099

Represented by:

Funds Held on Behalf of the Ministry of Education	161,096
Funds Receivable from the Ministry of Education	(14,997)

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.

18. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i> Remuneration	10,670	8,910
<i>Leadership Team</i> Remuneration Full-time equivalent members	771,545 5	710,669 5
Total key management personnel remuneration	<u>782,215</u>	<u>719,579</u>

There are 7 members of the Board excluding the Principal. The Board has held 10 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 finance, property and student welfare matters.

Principal 1

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	220-230	190-200
Benefits and Other Emoluments	5-6	5-6
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	21	14
110-120	14	4
120-130	4	5
130-140	3	0
140-150	1	0
	<u>43</u>	<u>23</u>

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 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 Number of People	-	-

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.

During the year the School was involved in 2 employment claims. Legal advice was obtained in regards to these claims which remain open at the time the financial statements were prepared. Therefore any settlement that would be incurred by the school is unable to be quantified. The school has incurred \$3,111 (2022: \$31,056) in legal fees for the year ended 31 December 2023.

21. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$838,581 (2022:\$229,975) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Outdoor Seating	400,000	384,006	15,994
Fire Alarms	484,800	30,649	454,151
Security Cameras	26,776	26,776	
Prefabricated Bathroom	189,445	168,804	20,641
Electrical and Heat Pumps	366,800	4,952	361,848
Field Remediation	0	6,484	(6,484)
Technical Block Recladding	0	7,569	(7,569)
Total	1,467,821	629,240	838,581

(b) Operating Commitments

As at 31 December 2023, the Board has entered into the following contracts:

(a) Nil

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 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	1,116,414	659,653	1,240,361
Receivables	716,517	700,000	839,420
Investments - Term Deposits	3,105,721	2,950,000	2,969,289
Total financial assets measured at amortised cost	<u>4,938,652</u>	<u>4,309,653</u>	<u>5,049,070</u>

Financial liabilities measured at amortised cost

Payables	1,129,412	850,000	835,750
Finance Leases	385,985	160,000	228,320
Total financial liabilities measured at amortised cost	<u>1,515,397</u>	<u>1,010,000</u>	<u>1,064,070</u>

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