

# ANNUAL REPORT 2023

MOE School Number 3842



***“Me akotahi hei oranga mō te katoa.”***  
***“Together we learn and grow.”***

## ***Our Vision:***

***We expect our children to leave Tapanui as confident, connected, actively involved, lifelong learners.***

## **Report includes:**

**[Compliance with Education and Training Act](#)**  
**[Analysis of Variance - Student Achievement Targets](#)**  
**[Evaluation and Analysis of Progress and Achievement](#)**  
**[How we have given effect to Te Tiriti o Waitangi](#)**  
**[Board of Trustees Membership](#)**  
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**Financial Statements included by the Auditor - BDO**

## Compliance with the Education and Training Act 2020:

requirements to be a good employer for the year ended 31 December 2023.

The following questions address key aspects of compliance with a good employer policy.

Reporting on the principles of being a Good Employer	
How have you met your obligations to provide good and safe working conditions?	<ul style="list-style-type: none"> <li>• <i>Maintain hazard register</i></li> <li>• <i>Staff wellbeing survey</i></li> <li>• <i>Regular open communication</i></li> <li>• <i>Budget for staff wellbeing</i></li> </ul>
What is in your equal employment opportunities programme?  How have you been fulfilling this programme?	<ul style="list-style-type: none"> <li>• <i>EEO Staff Survey</i></li> <li>• <i>Policy and procedures in place – recruitment/employment/induction</i></li> <li>• <i>Staff Wellbeing activities</i></li> <li>• <i>Development of Code of Conduct and ethics</i></li> <li>• <i>Professional Growth Cycle processes – Responding to PD requirements</i></li> </ul>
How do you practise impartial selection of suitably qualified persons for appointment?	<ul style="list-style-type: none"> <li>• <i>Robust recruitment, employment policy and procedures.</i></li> </ul>
How are you recognising, – The aims and aspirations of Māori, – The employment requirements of Māori, and – Greater involvement of Māori in the Education service?	<ul style="list-style-type: none"> <li>• <i>Conversations with staff through Professional Growth Cycle</i></li> <li>• <i>Goals within Strategic Plan</i></li> <li>• <i>Understanding of difference and needs between cultural practices and adopting practices and responding to needs that honour and reflect Te Ao Māori, e.g. Leave for tangi, whanaungatanga</i></li> <li>• <i>Questions around cultural needs/aspirations in EEO survey</i></li> </ul>
How have you enhanced the abilities of individual employees?	<ul style="list-style-type: none"> <li>• <i>Professional Growth Cycle conversations</i></li> <li>• <i>Beginning Teacher mentoring programmes</i></li> <li>• <i>Opportunities for leadership and areas of responsibility – units</i></li> <li>• <i>Responding to PD needs and requests</i></li> <li>• <i>Celebrating staff achievements</i></li> </ul>
How are you recognising the employment requirements of women?	<ul style="list-style-type: none"> <li>• <i>EEO Survey and responding to needs</i></li> <li>• <i>Flexibility of meeting times, requirement of leave/working arrangements</i></li> </ul>
How are you recognising the employment requirements of persons with disabilities?	<ul style="list-style-type: none"> <li>• <i>EEO Survey</i></li> <li>• <i>Conversations and responding to needs as required</i></li> </ul>

Good employer policies should include provisions for an Equal Employment opportunities (EEO) programme /policy. The Ministry of Education monitors these policies:

Reporting on Equal Employment Opportunities (EEO) Programme/Policy	Yes	No
Do you operate an EEO programme/policy?	✓	
Has this policy or programme been made available to staff?	✓	
Does your EEO programme/policy include training to raise awareness of issues which may impact EEO?	✓	
Has your EEO programme/policy appointed someone to coordinate compliance with its requirements?	✓	
Does your EEO programme/policy provide for regular reporting on compliance with the policy and/or achievements under the policy?	✓	
Does your EEO programme/policy set priorities and objectives?	✓	

## Analysis of Variance 2023:

# 2023 Target Analysis of Variance

In 2023 Tapanui School set one Student Achievement target in the area of Literacy.

**“To improve progress, engagement and enjoyment, in Reading and Writing for at least 80% of the 31 students in Year 3-6 (67%) who are working on the fringes of the appropriate curriculum bands or well below.”**

NB: Over the year 1 of the students in the target group left leaving 30 students. This is the group that is measured for our target group.

Data tables for our target children currently attending Tapanui School

### Reading

	Pre 1	Early 1	At 1	Early 2	At 2	Early 3	At 3	
Year 6 End of 2022		1			4	4		4 were well within
Y6 End of 2023		1				2	6	89% shift 6 are now well within
Year 5 End of 2022			1	3	3			3 were well within
Y5 End of 2023			1	1	2	3		57% shift 3 are now well within
Year 4 End of 2022		2	7					0 were well within
Y4 End of 2023		1	2	4	2			78% shift 2 are now well within
Year 3 End of 2022	1	2	2					2 were well within
Y3 End of 2023		1	4					60% shift 0 are now well within

### Analysis of Progress - Reading:

- It's pleasing to see the positive shift from the Year 6 cohort especially.
- The 3 children who are well below (more than a year below the wider band expectation - Y6, Y5, Y4) and have not moved from the curriculum level they started on, all have Individual Education Plans and have T.Aides in their classrooms to support the teacher and provide more one on one support. A significant amount of support has been sought and given. Referrals have included In Class Support (unsuccessful), ORs (unsuccessful), MOE behaviour support (some), counselling (for two students), Public Health Nurse (all three students), Resource Teacher of Literacy (1 student), Resource Teacher of Learning and Behaviour (all students) and regular parent contact/meetings (all students).
- From anecdotal observations in classes and from teachers reading assessments teachers are noticing an increase in ability, sense of success, enjoyment and focus in most of these children's reading.
- It's also pleasing to note that 6 out of the 30 children in this target group made accelerated progress based on 'normal' progress. This is reflective of attitude, effort and determination from these students in reading. We have managed to accelerate progress for 5 students out of the 30 target students to get them well within the expected curriculum band rather than being on the fringe.
- Across the whole target group of 30 students we have seen a positive shift across one or more levels from 70% of these students.
- Despite this shift 23% are still below or well below the expected band and another 40% are functioning within the lower part of the expected levels.

## Writing

	Pre 1	Early 1	At 1	Early 2	At 2	Early 3	At 3	
Year 6 End of 2022		1	1		6	1		1 well within
Y6 End of 2023			1	1	6	1		22% shift 0 now well within
Year 5 End of 2022			2	5				0 well within
Y5 End of 2023			1	1	5			86% shift 0 now well within
Year 4 End of 2022		2	7					0 well within
Y4 End of 2023		1	1	5	2			78% shift 2 now well within
Year 3 End of 2022	1	4						0 well within
Y3 End of 2023		2	3					80% shift 0 now well within

### Analysis of Progress Writing:

- There has been pleasing and expected 'normal' shift for approximately 80% of students in Year 3-5. Less shift has been seen in writing for our Year 6 cohort. Not surprising that the shift happens in reading first before it's transferred into writing.
- 2 children have made better progress in writing than they have in reading which is an anomaly. The teachers are noticing that these two students especially have very strong visual memory which interferes with their knowledge and use of decoding skills.
- There has been accelerated progress against the 'normal' expectation for 2 students in the Year 4 cohort.
- Interesting to note that the progress in year 6 happened for the lowest achieving students. On reflection this is likely to be because of the increased confidence in spelling where these children who were once reluctant writers are more willing to take a risk and just get their ideas down. Level 2 and 3 become more focused on structure of writing, paragraphing, reworking text and developing ideas which is an area the target children at this level struggle with.
- Across the whole target group of 30 students we have seen a positive shift across one or more levels from 60% of these students. This is considerably less than the shift in reading.

### What did we do that led to the progress in literacy:

- A huge focus this year has been around developing our structured literacy programme. This has included Steps Web predominantly for Y3-6 students and the implementation of iDeal across the whole school from Term 3. There has been a lot of PLD to build the knowledge and confidence in this new approach for our teachers this year. Decodable texts are now used when children are learning to read. The year 3 children in this target group are the last of the children to have begun their schooling with the whole language approach so have had a mix of teaching methods.
- There has been a big focus on handwriting and developing greater automaticity in letter formation.
- Teachers have been sharing progress eg graphs on Steps Web as well as looking back at previous work to help children see the gains they are making. Many children have commented about how proud they are of the progress they have made.

### What will we do to sustain/continue and look to accelerate the progress in literacy:

- Continue with iDeal structured literacy/spelling programme across the school embedding this into our school timetable along with Steps Web for Y2-6.
- Participate in PLD provided by Kahui Ako around writing and inquire into writing deeply. This will include reflecting and observations on teaching practice, researching best practices, implementing small, sustainable and purposeful changes over the year and collaborating across schools.
- Continued RTLit referrals.

- We're hopeful that we will be successful in getting onto the ALL (Accelerating Learning in Literacy) Programme for 2024 and 2025.
- Continue to work on developing an engaging and rich writing programme

**Summary:**

The teachers have worked hard this year as they have inquired into the Structured Literacy Approach and researched, found and implemented a programme that after 2 terms is already showing positive gains. It has highlighted the need for further work on writing while maintaining and continuing to grow the work we have begun in reading/spelling. We have not met the target but feel that we have a good base and knowledge of how to move forward and the areas we need to work on in 2024 and beyond.

December 2023

Tapanui School Staff

## Evaluation and Analysis of Progress and Achievement:

We have seen some positive progress results in reading, writing and maths over 2023. 87% are working within the broad curriculum expectations for reading, 75% for writing and 84% for maths. We still have a large group of children who are working in the lower part of the band, particularly in writing who we will be targeting in 2024 to try and lift and accelerate their progress. Continued development of our Structure Literacy approach in reading has impacted and will continue to impact this progress positively as we extend to develop a more structured whole school approach to writing.

We have worked hard over 2023 to develop Critical Capabilities in our students so they can discuss them and reflect meaningfully on their progress. This is an area we will continue to develop as we look intentionally and critically at our behaviour plan in the coming year.

We have seen improvement in children's ability to participate and show sportsmanship in games and physical activity. This has been evident in our Sports Activator sessions, after school sports, PAL's events and participation in sport during break times.

Most children really enjoy visual art and work hard to produce careful compositions. We will be looking to widen the media that we use throughout the coming year.

Kapahaka has been strong and we have seen growth in leadership and tuakana teina as we have practised, persevered and performed for events such as Polyfest and Mauri Ora Matariki.

## How we have given effect to Te Tiriti o Waitangi:

*Schools are required to describe how they have given effect to the Treaty of Waitangi by:*

- o working to ensure that its plans, policies, and local curriculum reflect local tikanga Māori, mātauranga Māori, and te ao Māori; and*
- o taking all reasonable steps to make instruction available in tikanga Māori and te reo Māori; and*
- o achieving equitable outcomes for Māori students.*

At Tapanui School we have worked hard to develop relationships with our local Maori whānau, iwi and runanga so that we demonstrate and truly value te reo and tikanga Māori. It is important to us that our Māori students and whānau feel a sense of belonging in this place and that our tamariki can succeed as Māori. To summarise, in 2023 we have...

- held a Māori Whānau hui to discuss things that are important to them including their aspirations for their tamariki
- met with the local runanga to discuss their aspirations for local tamariki and whānau and how we can link in to what they are doing and things they provide. Connections have been shared with whānau. This has led to conversations with our wider community about Te Tiriti o Waitangi and our need to keep the conversations going to help us all learn and grow in this kaupapa.
- participated in our local community Kapahaka group and supported projects they have led.
- being active participants of local and regional Māori cultural festivals including Matariki and Polyfest.
- provided weekly kapahaka and encouraged our tamariki to participate and commit to this mahi.
- Regularly liaised with two te reo Māori speaking kaiawhina who have led our Kapahaka rōpu to discuss Māori tikanga and reo as they have supported us on our learning journey
- embedded our regular mihi whakatau at the start of each term to welcome our new tamariki, whānau and kaiako to our kura. This is part of the culture of our kura now.
- integrated basic te reo Māori into our daily classroom conversations with teachers all extending themselves at their own ability level. All teaching staff interacted with a 6 week Te reo Māori Professional Learning course.
- included aspects of our Māori history, stories and art into different curriculum areas including our Year 5 and 6's visiting Te Rau Aroha Marae while on camp. This also involved connecting with other kaumatua in our community, inviting them to join us on camp and build a relationship with us.
- developed a more robust Te Reo Māori plan across the school for 2024 and invested finance into providing expert te reo kaiako to support us in delivering this and keeping the momentum of language learning going.
- monitored progress and achievement of our Māori students, reflecting on our practices to continually seek to improve these.
- reviewed our Health and PE programme to include Whare Tapa Wha as our model for wellbeing that undergirds all learning
- employed a male Māori Kaiawhina as a support worker for two terms to work with some of our senior Māori boys who were struggling. He acted as a coach, mentor and friend. Unfortunately he is unable to continue in this role for 2024.

## Board of Trustees Members:

*Schools are required to provide a list of their current Board members and the dates they go out of office.*

### **Members of the Board 2023**

<b>Name of Trustee</b>	<b>Roll on Trust</b>	<b>Occupation</b>	<b>Date elected</b>	<b>Term Expires</b>
Jane Stuart	Principal	Principal	Appointed Jan 2023	
Tracy McHutchon	Presiding Member	Sales Rep	May 2022	May 2025
Paul Roulston	Parent Trustee	Sales Rep	May 2022	May 2025
Rebekah Stuart	Staff Representative	Teacher	May 2022	resigned 1st November 2023
Hadley Turner	Parent Trustee	Business Owner	Nov 2020	resigned 18 May 2023
Ashlee Boyce	Parent Trustee - Māori Representative	Kaiarahi and Teacher Aid	Nov 2020	Parent Rep Term ended in Nov 2023  Co-Opted Nov 2023 Maori Representative
Georgina McCall	Co-opted member	Business Owner	May 2022	May 2025

## Kiwisport Funding:

*Schools are asked to include a short statement in their annual reports on how they have used the Kiwisport funding to increase students' participation in organised sport.*

*Use of the Kiwisport funding will also be monitored as part of schools' regular ERO reviews.*

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2023, the school received total Kiwisport funding of \$1186 (excluding GST). Once again the funding was spent, along with other Board funds and donations, on the South West Otago Sports Activator Programme, West Otago Athletics event, Sports Associations affiliations, Swimming, and Cross Country at a total cost of \$5854 (including \$3826 for pool usage and swimming lessons) to the School. The KiwiSport fund has never mirrored the cost to schools and the gap widens every year between resourcing and cost.





## ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

**School Directory**

**Ministry Number:** 3842  
**Principal:** Jane Stuart  
**School Address:** 14a Sussex Street, Tapanui, 9522  
**School Phone:** 03 204 8614  
**School Email:** [office@tapanui.school.nz](mailto:office@tapanui.school.nz)

**Accountant / Service Provider:**

**Solutions & Services**  
Collaborative School Administration

# TAPANUI SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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# Tapanui 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.

Tracy McHutchon

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Full Name of Presiding Member

Signed by:  
  
0AA6CECD8000DC13

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Signature of Presiding Member

04/06/2024

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Date:

Jane Stuart

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Full Name of Principal

Signed by:  
  
35D085EC2BDC4EA4

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Signature of Principal

29/05/2024

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Date:

# **Tapanui School**

## **Members of the Board**

For the year ended 31 December 2023

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Tracy McHutchon	Presiding Member	Elected	May 2025
Jane Stuart	Principal	ex Officio	
Hadley Turner	Parent Representative	Elected	May 2023
Ashlee Boyce	Parent Representative	Co-opted	May 2025
Paul Roulston	Parent Representative	Elected	May 2025
Georgina McCall	Parent Representative	Selected	May 2025
Rebekah Stuart	Staff Representative	Elected	Nov 2023

# Tapanui 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	868,333	888,153	854,504
Locally Raised Funds	3	34,872	47,081	55,877
Interest		22,701	10,000	9,972
<b>Total Revenue</b>		<b>925,906</b>	<b>945,234</b>	<b>920,353</b>
<b>Expenses</b>				
Locally Raised Funds	3	3,580	8,400	13,121
Learning Resources	4	567,973	650,125	620,916
Administration	5	74,553	75,373	81,052
Interest		625	-	324
Property	6	281,267	229,628	199,050
Loss on Disposal of Property, Plant and Equipment		1,644	-	-
<b>Total Expense</b>		<b>929,642</b>	<b>963,526</b>	<b>914,463</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>(3,736)</b>	<b>(18,292)</b>	<b>5,890</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(3,736)</b>	<b>(18,292)</b>	<b>5,890</b>

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

# Tapanui School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Equity at 1 January</b>		514,952	514,952	509,062
Total comprehensive revenue and expense for the year		(3,736)	(18,292)	5,890
Contribution - Furniture and Equipment Grant		8,717	-	-
<b>Equity at 31 December</b>		519,933	496,660	514,952
Accumulated comprehensive revenue and expense		519,933	496,660	514,952
<b>Equity at 31 December</b>		519,933	496,660	514,952

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.

# Tapanui 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	82,592	22,499	28,386
Accounts Receivable	8	42,869	32,919	32,919
GST Receivable		1,135	5,326	5,326
Prepayments		5,118	5,102	5,102
Inventories	9	337	322	322
Investments	10	439,000	246,174	307,179
Funds Receivable for Capital Works Projects	16	3,786	8,850	8,850
		574,837	321,192	388,084
<b>Current Liabilities</b>				
Accounts Payable	12	50,505	51,341	51,341
Revenue Received in Advance	13	2,067	168	168
Provision for Cyclical Maintenance	14	74,700	60,000	-
Finance Lease Liability	15	3,853	1,772	1,772
Funds held for Capital Works Projects	16	7,734	-	-
		138,859	113,281	53,281
<b>Working Capital Surplus/(Deficit)</b>		435,978	207,911	334,803
<b>Non-current Assets</b>				
Investments	10	-	130,000	130,000
Property, Plant and Equipment	11	138,955	167,349	111,249
		138,955	297,349	241,249
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	45,266	7,500	60,000
Finance Lease Liability	15	9,734	1,100	1,100
		55,000	8,600	61,100
<b>Net Assets</b>		519,933	496,660	514,952
<b>Equity</b>		519,933	496,660	514,952

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

# Tapanui School

## Statement of Cash Flows

For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		277,479	228,153	233,104
Locally Raised Funds		34,663	47,081	54,331
Goods and Services Tax (net)		4,191	-	1,412
Payments to Employees		(151,888)	(155,400)	(138,986)
Payments to Suppliers		(110,625)	(118,626)	(131,581)
Interest Paid		(625)	-	-
Interest Received		18,873	10,000	10,226
Net cash from Operating Activities		72,068	11,208	28,506
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(36,090)	(78,100)	(13,737)
Purchase of Investments		(1,821)	61,005	-
Proceeds from Sale of Investments		-	-	1,593
Net cash (to) Investing Activities		(37,911)	(17,095)	(12,144)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		8,717	-	-
Finance Lease Payments		(1,466)	-	(1,078)
Funds Administered on Behalf of Other Parties		12,798	-	(7,293)
Net cash from/(to) Financing Activities		20,049	-	(8,371)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>54,206</b>	<b>(5,887)</b>	<b>7,991</b>
Cash and cash equivalents at the beginning of the year	7	28,386	28,386	20,395
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>82,592</b>	<b>22,499</b>	<b>28,386</b>

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.



# Tapanui School

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### 1. Statement of Accounting Policies

##### 1.1. Reporting Entity

Tapanui 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.

##### 1.2. 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 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 whole 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 14.

#### *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 15. Future operating lease commitments are disclosed in note 21b.

##### *Recognition of grants*

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

### **1.3. 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 to which they relate. 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 to which 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 recognised as 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.

#### **1.4. 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.

#### **1.5. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances and deposits held at call with banks. The carrying amount of cash and cash equivalents represent fair value.

#### **1.6. Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The school's 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.

#### **1.7. Inventories**

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

#### **1.8. 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.

#### **1.9. 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	7- 50 years
Furniture and equipment	3–15 years

Information and communication technology  
Leased assets held under a Finance Lease  
Library resources

3–5 years  
3-20 years  
12.5% Diminishing value

#### **1.10. 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 as 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.

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.

#### **1.11. 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.

#### **1.12. 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, 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.

### **1.13. Revenue Received in Advance**

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

### **1.14. 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.

### **1.15. 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, 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 variety of periods in accordance with the conditional assessment of each area of the school. 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.

### **1.16. 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, 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.

### **1.17. 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.

### **1.18. Budget Figures**

The budget figures are extracted from the School budget that was approved by the Board.

### **1.19. 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	284,476	228,153	285,787
Teachers' Salaries Grants	425,368	505,000	448,915
Use of Land and Buildings Grants	158,489	155,000	119,802
	<u>868,333</u>	<u>888,153</u>	<u>854,504</u>

The School has opted in to the donations scheme for this year. Total amount received was \$11,867 (2022: \$nil).

## 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	7,061	22,300	21,327
Trading	1,334	350	965
Fundraising & Community Grants	2,355	2,355	7,293
Other Revenue	24,122	22,076	26,292
	<u>34,872</u>	<u>47,081</u>	<u>55,877</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	2,532	8,050	7,851
Trading	1,048	350	52
Transport (Local)	-	-	5,218
	<u>3,580</u>	<u>8,400</u>	<u>13,121</u>
<i>Surplus for the year Locally raised funds</i>	<u>31,292</u>	<u>38,681</u>	<u>42,756</u>

## 4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	29,782	35,384	24,991
Information and Communication Technology	798	250	140
Library Resources	-	100	-
Employee Benefits - Salaries	513,163	585,491	567,576
Staff Development	3,678	6,900	5,532
Depreciation	20,552	22,000	22,677
	<u>567,973</u>	<u>650,125</u>	<u>620,916</u>

## 5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fee	4,192	4,020	3,903
Board Fees	2,195	3,720	3,020
Board Expenses	1,507	1,800	8,173
Communication	828	1,695	2,467
Consumables	5,339	4,600	5,501
Operating Lease	942	800	(59)
Other	4,701	7,050	5,630
Employee Benefits - Salaries	46,451	45,534	44,829
Insurance	3,508	2,524	3,272
Service Providers, Contractors and Consultancy	4,890	3,630	4,316
	<u>74,553</u>	<u>75,373</u>	<u>81,052</u>

## 6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	774	700	960
Consultancy and Contract Services	875	-	5,470
Cyclical Maintenance	14,766	7,500	7,500
Adjustment to the Provision- Other Adjustments	45,200	-	-
Grounds	3,193	3,250	3,062
Heat, Light and Water	10,633	9,000	8,885
Rates	6,089	5,623	4,927
Repairs and Maintenance	15,967	19,180	22,595
Use of Land and Buildings	158,489	155,000	119,802
Employee Benefits - Salaries	25,281	29,375	25,849
	<u>281,267</u>	<u>229,628</u>	<u>199,050</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	82,592	22,499	28,386
Cash and Cash Equivalents for Statement of Cash Flows	<u>82,592</u>	<u>22,499</u>	<u>28,386</u>

Of the \$82,592 Cash and Cash Equivalents, \$7,734 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 \$82,592 Cash and Cash Equivalents, \$1,822 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

## 8. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	2,000	1,714	1,714
Receivables from the Ministry of Education	4,130	-	-
Interest Receivable	4,957	1,129	1,129
Teacher Salaries Grant Receivable	31,782	30,076	30,076
	<u>42,869</u>	<u>32,919</u>	<u>32,919</u>
Receivables from Exchange Transactions	6,957	2,843	2,843
Receivables from Non-Exchange Transactions	35,912	30,076	30,076
	<u>42,869</u>	<u>32,919</u>	<u>32,919</u>

## 9. Inventories

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Stationery	337	322	322
	<u>337</u>	<u>322</u>	<u>322</u>

## 10. Investments

The School's investment activities are classified as follows:

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	439,000	246,174	307,179
Non-current Asset			
Long-term Bank Deposits	-	130,000	130,000
Total Investments	<u>439,000</u>	<u>376,174</u>	<u>437,179</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building Improvements	47,486	33,442	-	-	(2,227)	78,701
Furniture and Equipment	35,352	-	-	-	(6,024)	29,328
Information and Communication Technology	22,116	2,647	(1,643)	-	(9,303)	13,817
Leased Assets	3,119	13,812	-	-	(2,601)	14,330
Library Resources	3,176	-	-	-	(397)	2,779
<b>Balance at 31 December 2023</b>	<u>111,249</u>	<u>49,901</u>	<u>(1,643)</u>	<u>-</u>	<u>(20,552)</u>	<u>138,955</u>

The net carrying value of furniture and equipment held under a finance lease is \$14,330 (2022: \$3,119)

### Restrictions

With the exception of the contractual restrictions relating to the above noted finance leases, there are no other 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
	\$	\$	\$	\$	\$	\$
Building Improvements	226,113	(147,412)	78,701	192,671	(145,185)	47,486
Furniture and Equipment	176,943	(147,615)	29,328	178,172	(142,820)	35,352
Information and Communication Technology	59,062	(45,245)	13,817	79,044	(56,928)	22,116
Leased Assets	16,988	(2,658)	14,330	6,994	(3,875)	3,119
Library Resources	40,855	(38,076)	2,779	40,855	(37,679)	3,176
<b>Balance at 31 December</b>	<u>519,961</u>	<u>(381,006)</u>	<u>138,955</u>	<u>497,736</u>	<u>(386,487)</u>	<u>111,249</u>

## 12. Accounts Payable

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Creditors	5,164	12,404	12,404
Accruals	4,020	3,903	3,903
Employee Entitlements - Salaries	40,186	34,276	34,276
Employee Entitlements - Leave Accrual	1,135	758	758
	<u>50,505</u>	<u>51,341</u>	<u>51,341</u>
Payables for Exchange Transactions	50,505	51,341	51,341
	<u>50,505</u>	<u>51,341</u>	<u>51,341</u>

The carrying value of payables approximates their fair value.



### 13. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Grants in Advance - Ministry of Education	1,822	-	-
Other Revenue in Advance	245	168	168
	<u>2,067</u>	<u>168</u>	<u>168</u>

### 14. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	60,000	60,000	52,500
Increase to the Provision During the Year	14,766	7,500	7,500
Other Adjustments	45,200	-	-
Provision at the End of the Year	<u>119,966</u>	<u>67,500</u>	<u>60,000</u>
Cyclical Maintenance - Current	74,700	60,000	-
Cyclical Maintenance - Non current	45,266	7,500	60,000
	<u>119,966</u>	<u>67,500</u>	<u>60,000</u>

The School's cyclical maintenance schedule details annual painting to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

### 15. Finance Lease Liability

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	4,752	1,948	1,948
Later than One Year and no Later than Five Years	10,862	1,177	1,177
Future Finance Charges	(2,027)	(253)	(253)
	<u>13,587</u>	<u>2,872</u>	<u>2,872</u>
<b>Represented by:</b>			
Finance lease liability - Current	3,853	1,772	1,772
Finance lease liability - Non-current	9,734	1,100	1,100
	<u>13,587</u>	<u>2,872</u>	<u>2,872</u>

### 16. Funds Held for Capital Works Projects

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

2023	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
LSC Project #220074	(8,025)	71,218	(66,979)	-	(3,786)
Library Leaking Roof Repairs #236590	(825)	15,138	(6,579)	-	7,734
Totals	<u>(8,850)</u>	<u>86,356</u>	<u>(73,558)</u>	<u>-</u>	<u>3,948</u>

#### Represented by:

Funds Held on Behalf of the Ministry of Education	7,734
Funds Receivable from the Ministry of Education	(3,786)

2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
LSC Project #220074	(7,813)	-	(212)	-	(8,025)
SIP Project: Doors Hallway and Shade Area	6,256	7,974	(14,230)	-	-
Library Leaking Roof Repairs #236590	-	-	(825)	-	(825)
Totals	(1,557)	7,974	(15,267)	-	(8,850)

**Represented by:**

Funds Receivable from the Ministry of Education (8,850)

**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 trustees of the Board, Principal, and Deputy Principal.

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	2,195	3,020
<i>Leadership Team</i>		
Remuneration	232,329	263,710
Full-time equivalent members	2.11	2.70
Total key management personnel remuneration	234,524	266,730

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

*Principal*

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	110 - 120	90-100
Benefits and Other Emoluments	3 - 4	2 - 3
Termination Benefits	0 - 0	0 - 0

*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	-	-
	-	-

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

## 19. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee members, or employees during the financial year in relation to that cessation and the 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 and no contingent assets except as noted below 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 school 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.

### Pay Equity Settlement Wash Up amounts

In 2023 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. The School is yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual eligible staff members employed in 2023. The Ministry is in the process of determining wash up payments or receipts for the year ended 31 December 2023 however as at the reporting date this amount had not been calculated and therefore is not recorded in these financial statements.

## 21. Commitments

### (a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$19,367 (2022:\$81,675) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
LSC Project #220074	84,375	75,004	9,371
Library Leaking Roof Repairs #236590	17,400	7,404	9,996
<b>Total</b>	<b>101,775</b>	<b>82,408</b>	<b>19,367</b>

### (b) Operating Commitments

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

(Operating commitments at 31 December 2022: 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	\$ 82,592	\$ 22,499	\$ 28,386
Receivables	42,869	32,919	32,919
Investments - Term Deposits	439,000	376,174	437,179
Total Financial assets measured at amortised cost	<u>564,461</u>	<u>431,592</u>	<u>498,484</u>

**Financial liabilities measured at amortised cost**

Payables	50,505	51,341	51,341
Finance Leases	13,587	2,872	2,872
Total Financial liabilities measured at amortised Cost	<u>64,092</u>	<u>54,213</u>	<u>54,213</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.

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF TAPANUI SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Tapanui 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 3 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 4 June 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.

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

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

#### Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

#### Other information

The Board is responsible for the other information. The other information comprises The 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.



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