

PUKEKAWA SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 1449

Principal: Josie Redmond

School Address: 803 Highway 22, Pukekawa

School Postal Address: RD1 Tuakau 2692

School Phone: 09 233 47884

School Email: principal@pukekawa.school.nz

Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Cojana Spear	Presiding Member	Elected	May-25
Josie Redmond	Principal ex Officio		
Virginia Craig	Staff Representative	Elected	May-25
Melissa Marriner	Parent Representative	Elected	May-25
Brittney Ross	Parent Representative	Elected	May-25
Gunnar Bromm	Parent Representative	Elected	May-25
Kate Verrall	Parent Representative	Elected	2023

Accountant / Service Provider:

Edtech Financial Services Ltd



31/5/24 *Cojana Spear*

PUKEKAWA SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Pukekawa 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.

Cojana Renée Spear

Full Name of Presiding Member

Josie Helen Redmond

Full Name of Principal

C Spear

Signature of Presiding Member

[Signature]

Signature of Principal

31 May 2024

Date:

31 May 2024

Date:

Pukekawa School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue				
Government Grants	2	1,202,243	980,228	1,157,701
Locally Raised Funds	3	68,264	20,400	55,809
Interest		7,787	750	1,420
Total Revenue		1,278,294	1,001,378	1,214,930
Expense				
Locally Raised Funds	3	13,743	6,100	25,528
Learning Resources	4	785,697	789,454	758,613
Administration	5	92,979	76,389	118,864
Interest		771	700	953
Property	6	252,294	209,043	226,089
Other Expense	7	110,585	-	103,125
Loss on Disposal of Property, Plant and Equipment		1,094	-	115
Total Expense		1,257,163	1,081,686	1,233,287
Net Surplus / (Deficit) for the year		21,131	(80,308)	(18,357)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		21,131	(80,308)	(18,357)

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

Pukekawa 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		173,049	160,010	180,311
Total comprehensive revenue and expense for the year		21,131	(80,308)	(18,357)
Contribution - Furniture and Equipment Grant		-	-	11,095
Equity at 31 December		194,180	79,702	173,049
Accumulated comprehensive revenue and expense		194,180	79,702	173,049
Reserves		-	-	-
Equity at 31 December		194,180	79,702	173,049

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.

Pukekawa School
Statement of Financial Position
As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	8	81,765	50,611	113,910
Accounts Receivable	9	85,640	50,200	53,811
GST Receivable		7,607	2,500	3,930
Prepayments		19,151	10,500	11,686
Inventories	10	5,303	3,500	3,549
Investments		123,575	42,000	42,027
Funds Receivable for Capital Works Projects	17	3,818	-	-
		<u>326,859</u>	<u>159,311</u>	<u>228,913</u>
Current Liabilities				
Accounts Payable	13	75,351	66,000	70,632
Revenue Received in Advance	14	41,650	-	478
Provision for Cyclical Maintenance	15	66,613	50,600	21,743
Finance Lease Liability	16	3,856	3,860	4,745
Funds held for Capital Works Projects	17	1,065	-	800
		<u>188,535</u>	<u>120,460</u>	<u>98,398</u>
Working Capital Surplus/(Deficit)		<u>138,324</u>	<u>38,851</u>	<u>130,515</u>
Non-current Assets				
Property, Plant and Equipment	12	133,381	118,099	153,394
		<u>133,381</u>	<u>118,099</u>	<u>153,394</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	75,377	75,100	105,851
Finance Lease Liability	16	2,148	2,148	5,009
		<u>77,525</u>	<u>77,248</u>	<u>110,860</u>
Net Assets		<u>194,180</u>	<u>79,702</u>	<u>173,049</u>
Equity		<u>194,180</u>	<u>79,702</u>	<u>173,049</u>

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

Pukekawa 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		268,801	224,423	283,257
Locally Raised Funds		104,991	19,922	51,365
Goods and Services Tax (net)		(3,677)	1,430	(1,181)
Payments to Employees		(184,014)	(175,344)	(165,425)
Payments to Suppliers		(128,254)	(129,206)	(130,022)
Interest Paid		(771)	(700)	(953)
Interest Received		5,080	695	1,310
Net cash from/(to) Operating Activities		62,156	(58,780)	38,351
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(1,094)	-	(115)
Purchase of Property Plant & Equipment (and Intangibles)		(4,922)	(6,748)	(8,001)
Purchase of Investments		(81,548)	27	(434)
Net cash from/(to) Investing Activities		(87,564)	(6,721)	(8,550)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	(11,095)	-
Finance Lease Payments		(3,184)	14,097	(5,167)
Funds Administered on Behalf of Other Parties		(3,553)	(800)	800
Net cash from/(to) Financing Activities		(6,737)	2,202	(4,367)
Net increase/(decrease) in cash and cash equivalents		(32,145)	(63,299)	25,434
Cash and cash equivalents at the beginning of the year	8	113,910	113,910	88,476
Cash and cash equivalents at the end of the year	8	81,765	50,611	113,910

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.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

Pukekawa 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.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

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 15.

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 12.

Critical Judgements in Applying Accounting Policies

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

Classification of leases

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

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 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.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

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.

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) 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.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

e) 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.

f) 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.

g) Inventories

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

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.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

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:

Board Owned Buildings	40 years
Furniture and equipment	5 -10 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

j) Impairment of Property, Plant, and Equipment

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

Non cash generating assets

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

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

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 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.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

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 students and fundraising for the 2024 school camp - where there are unfulfilled obligations for the School to provide services in the future. The fees & fundraising are recorded as revenue as the obligations are fulfilled and the fees or grants are earned.

n) 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.

o) 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.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

p) Financial Instruments

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

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

q) 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.

r) Budget Figures

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

s) 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.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

2. Government Grants

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Government Grants - Ministry of Education	379,386	224,423	382,034
Teachers' Salaries Grants	646,864	625,008	621,630
Use of Land and Buildings Grants	175,993	130,797	149,689
Other Government Grants	-	-	4,348
	<u>1,202,243</u>	<u>980,228</u>	<u>1,157,701</u>

The school has not opted in to the donations scheme for this year.

3. Locally Raised Funds

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

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations & Bequests	40,217	15,700	17,365
Curriculum related Activities - Purchase of goods and services	20,299	4,700	30,902
Trading	7,582	-	4,317
Fundraising & Community Grants	166	-	3,225
	<u>68,264</u>	<u>20,400</u>	<u>55,809</u>
Expense			
Extra Curricular Activities Costs	6,763	6,100	19,766
Trading	6,864	-	5,277
Fundraising and Community Grant Costs	116	-	485
	<u>13,743</u>	<u>6,100</u>	<u>25,528</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>54,521</u>	<u>14,300</u>	<u>30,281</u>

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

4. Learning Resources

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	7,120	8,743	11,773
Information and Communication Technology	5,842	8,795	12,004
Library Resources	309	250	-
Employee Benefits - Salaries	745,245	744,616	705,630
Staff Development	2,813	2,850	3,848
Depreciation	24,368	24,200	25,358
	<u>785,697</u>	<u>789,454</u>	<u>758,613</u>

5. Administration

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Audit Fees	7,152	8,000	6,652
Board Fees	3,750	3,000	2,950
Board Expenses	1,656	500	995
Communication	3,558	2,150	2,182
Consumables	6,522	5,650	5,634
Other	8,897	5,939	14,252
Employee Benefits - Salaries	50,349	41,314	76,921
Insurance	5,257	4,800	4,487
Service Providers, Contractors and Consultancy	5,838	5,036	4,791
	<u>92,979</u>	<u>76,389</u>	<u>118,864</u>

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

6. Property

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	21,782	23,652	5,574
Consultancy and Contract Services	-	500	-
Cyclical Maintenance	14,396	21,700	14,985
Grounds	5,508	6,600	20,453
Heat, Light and Water	7,676	6,300	9,597
Repairs and Maintenance	10,375	5,200	2,216
Use of Land and Buildings	175,993	130,797	149,689
Security	544	600	636
Employee Benefits - Salaries	16,020	13,694	22,939
	<u>252,294</u>	<u>209,043</u>	<u>226,089</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. Other Expense

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
Transport	110,585	-	103,125
	<u>110,585</u>	<u>-</u>	<u>103,125</u>

8. Cash and Cash Equivalents

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Bank Accounts	81,765	50,611	113,910
Cash and cash equivalents for Statement of Cash Flows	<u>81,765</u>	<u>50,611</u>	<u>113,910</u>

Of the \$81,765 Cash and Cash Equivalents, \$1,065 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.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

9. Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Receivables	4,445	-	-
Interest Receivable	2,852	200	145
Banking Staffing Underuse	25,117	-	1,944
Teacher Salaries Grant Receivable	53,226	50,000	51,722
	<u>85,640</u>	<u>50,200</u>	<u>53,811</u>
Receivables from Exchange Transactions	7,297	200	145
Receivables from Non-Exchange Transactions	78,343	50,000	53,666
	<u>85,640</u>	<u>50,200</u>	<u>53,811</u>

10. Inventories

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Stationery	1,540	1,000	598
School Uniforms	3,763	2,500	2,951
	<u>5,303</u>	<u>3,500</u>	<u>3,549</u>

11. Investments

The School's investment activities are classified as follows:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	123,575	42,000	42,027
	<u>123,575</u>	<u>42,000</u>	<u>42,027</u>

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building Improvements	87,872	-	-	-	(3,862)	84,010
Furniture and Equipment	29,483	-	-	-	(8,857)	20,626
Information and Communication Technology	19,294	3,646	-	-	(5,701)	17,239
Leased Assets	8,078	1,288	-	-	(4,937)	4,429
Library Resources	8,667	515	(1,094)	-	(1,011)	7,077
Balance at 31 December 2023	153,394	5,449	(1,094)	-	(24,368)	133,381

The net carrying value of furniture and equipment held under a finance lease is \$4,429 (2022: \$8,078)

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	207,808	(123,798)	84,010	207,808	(119,936)	87,872
Furniture and Equipment	167,361	(146,735)	20,626	170,773	(141,290)	29,483
Information and Communication Technology	113,191	(95,952)	17,239	115,820	(96,526)	19,294
Leased Assets	17,277	(12,848)	4,429	17,843	(9,765)	8,078
Library Resources	33,863	(26,786)	7,077	38,163	(29,496)	8,667
Balance at 31 December	539,500	(406,119)	133,381	550,407	(397,013)	153,394

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

13. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	9,342	5,000	7,738
Accruals	4,650	7,500	6,944
Employee Entitlements - Salaries	57,224	50,000	52,310
Employee Entitlements - Leave Accrual	4,135	3,500	3,640
	<u>75,351</u>	<u>66,000</u>	<u>70,632</u>
Payables for Exchange Transactions	75,351	66,000	70,632

14. Revenue Received in Advance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Other revenue in Advance	41,650	-	478
	<u>41,650</u>	<u>-</u>	<u>478</u>

15. Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Provision at the Start of the Year	127,594	105,851	112,609
Increase to the Provision During the Year	14,396	21,700	14,985
Provision at the End of the Year	<u>141,990</u>	<u>127,551</u>	<u>127,594</u>
Cyclical Maintenance - Current	66,613	50,600	21,743
Cyclical Maintenance - Non current	75,377	75,100	105,851
	<u>141,990</u>	<u>125,700</u>	<u>127,594</u>

Per the cyclical maintenance schedule, the school is next expected to undertake painting works during 2024. This plan is based on the schools 10 Year Property plan.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

16. Finance Lease Liability

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
No Later than One Year	3,856	3,860	4,745
Later than One Year and no Later than Five Years	2,148	2,148	5,009
	<u>6,004</u>	<u>6,008</u>	<u>9,754</u>
Represented by			
Finance lease liability - Current	3,856	3,860	4,745
Finance lease liability - Non current	2,148	2,148	5,009
	<u>6,004</u>	<u>6,008</u>	<u>9,754</u>

17. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 8.

	2023	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Drinking Fountains		800	1,065	(800)	-	1,065
Drainage Project		-	50,245	(54,063)	-	(3,818)
Totals		<u>800</u>	<u>51,310</u>	<u>(54,863)</u>	<u>-</u>	<u>(2,753)</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	1,065
Funds Receivable from the Ministry of Education	(3,818)

	2022	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Drinking Fountains			7,789	(6,989)		800
Slide Project			3,841	(3,841)		-
Totals		<u>-</u>	<u>11,630</u>	<u>(10,830)</u>	<u>-</u>	<u>800</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	800
Funds Receivable from the Ministry of Education	-

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

18. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

19. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
Board Members Remuneration	3,750	2,950
Leadership Team Remuneration Full-time equivalent members	128,755 1	124,405 1
Total key management personnel remuneration	132,505	127,355

There are 6 members of the Board excluding the Principal. The Board has held 11 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 30	120 - 130
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	3.00	1.00
	3.00	1.00

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

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

20. Contingencies

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

Holidays Act Compliance – Schools Payroll

The Ministry of Education performs payroll processing and payments on behalf of boards, through payroll service provider, Education Payroll Limited.

The Ministry continues to review the Schools Sector Payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise calculations and the potential impacts of specific individuals, as such, this is expected to resolve the liability for school boards.

Pay Equity Settlement Wash-up Amounts

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 is therefore not recorded in these financial statements.

21. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$1,065 (2022:\$11,629) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Drinking Fountains	1,865	800	1,065
Drainage Project	50,245	54,063	-
Total	52,110	54,863	1,065

(b) Operating Commitments

As at 31 December 2023, the Board has entered into no new contracts.

Pukekawa School

Notes to the Financial Statements

For the year ended 31 December 2023

22. Financial Instruments

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

Financial assets measured at amortised cost

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Cash and Cash Equivalents	81,765	50,611	113,910
Receivables	85,640	50,200	53,811
Investments - Term Deposits	123,575	42,000	42,027
Total financial assets measured at amortised cost	<u>290,980</u>	<u>142,811</u>	<u>209,748</u>

Financial liabilities measured at amortised cost

Payables	75,351	66,000	70,632
Finance Leases	6,004	6,008	9,754
Total financial liabilities measured at amortised cost	<u>81,355</u>	<u>72,008</u>	<u>80,386</u>

23. Events After Balance Date

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

INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Pukekawa School (the School). The Auditor-General has appointed me, Dente Bruno, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 23, 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 31 May 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information including List of Board of Trustees, Statement of Responsibility, Statement of Variance, Evaluation of Student Progress and Achievement, Statement of Kiwisport Funding, Statement of Compliance with Employment Policy and Statement of Effect Given to Te Tiriti o Waitangi, 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.



Dente Bruno

Partner

for Deloitte Limited

On behalf of the Auditor-General

Hamilton, New Zealand