

# NGUNGURU SCHOOL

## ANNUAL FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### School Directory

**Ministry Number:** 1056

**Principal:** Rosemary Murphy

**School Address:** Te Maika Road

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**Accountant / Service Provider:**

**Education**  *Services.*  
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# NGUNGURU SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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# Ngunguru 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.

Amber Fagerberg  
Full Name of Presiding Member

Rosemary Murphy  
Full Name of Principal

[Signature]  
Signature of Presiding Member

R. C. Murphy  
Signature of Principal

3/12/24  
Date:

3/12/24  
Date:

## Ngunguru School

# Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Revenue</b>				
Government Grants	2	2,669,407	2,540,189	2,738,402
Locally Raised Funds	3	51,234	39,800	118,270
Interest		4,277	2,000	1,805
Other Revenue		-	-	58,279
<b>Total Revenue</b>		2,724,918	2,581,989	2,916,756
<b>Expense</b>				
Locally Raised Funds	3	57,782	41,450	120,229
Learning Resources	4	1,703,550	1,837,278	1,857,240
Administration	5	211,637	203,518	262,870
Interest		3,147	2,765	3,940
Property	6	726,431	545,667	677,696
Loss on Disposal of Property, Plant and Equipment		60,147	-	2,389
<b>Total Expense</b>		2,762,694	2,630,678	2,924,364
<b>Net Surplus / (Deficit) for the year</b>		(37,776)	(48,689)	(7,608)
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		(37,776)	(48,689)	(7,608)

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

## Ngunguru 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>		495,260	508,848	502,868
Total comprehensive revenue and expense for the year		(37,776)	(48,689)	(7,608)
Contribution - Furniture and Equipment Grant		20,231	-	-
<b>Equity at 31 December</b>		477,715	460,159	495,260
Accumulated comprehensive revenue and expense		477,715	460,159	495,260
<b>Equity at 31 December</b>		477,715	460,159	495,260

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.

# Ngunguru School

## Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	52,575	237,312	130,299
Accounts Receivable	8	183,755	120,665	132,676
GST Receivable		16,713	-	11,109
Prepayments		12,461	2,753	3,070
Inventories	9	-	2,563	1,637
Funds Receivable for Capital Works Projects	15	203,664	-	104,579
		469,168	363,293	383,370
<b>Current Liabilities</b>				
GST Payable		-	69,294	-
Accounts Payable	11	225,956	201,233	210,891
Revenue Received in Advance	12	10,564	5,951	2,951
Provision for Cyclical Maintenance	13	15,635	22,182	12,559
Finance Lease Liability	14	15,962	13,572	13,717
Funds held for Capital Works Projects	15	39,879	-	48,470
		307,996	312,232	288,588
<b>Working Capital Surplus/(Deficit)</b>		161,172	51,061	94,782
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	370,951	452,244	446,318
		370,951	452,244	446,318
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	33,029	6,279	20,439
Finance Lease Liability	14	21,379	36,867	25,401
		54,408	43,146	45,840
<b>Net Assets</b>		477,715	460,159	495,260
<b>Equity</b>		477,715	460,159	495,260

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

# Ngunguru School

## Statement of Cash Flows

For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		521,563	510,234	578,606
Locally Raised Funds		64,573	51,450	182,477
Goods and Services Tax (net)		(5,604)	-	(80,403)
Payments to Employees		(472,165)	(295,394)	(380,645)
Payments to Suppliers		(136,486)	(701,409)	(338,949)
Interest Paid		(3,147)	(2,765)	(3,940)
Interest Received		4,277	2,000	1,805
Net cash from/(to) Operating Activities		(26,989)	(435,884)	(41,049)
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		2,174	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(39,332)	(39,000)	(25,056)
Net cash from/(to) Investing Activities		(37,158)	(39,000)	(25,056)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		20,231	-	-
Finance Lease Payments		(11,224)	(15,985)	(10,293)
Funds Administered on Behalf of Other Parties		(22,584)	-	(521,484)
Net cash from/(to) Financing Activities		(13,577)	(15,985)	(531,777)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(77,724)</b>	<b>(490,869)</b>	<b>(597,882)</b>
Cash and cash equivalents at the beginning of the year	7	130,299	728,181	728,181
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>52,575</b>	<b>237,312</b>	<b>130,299</b>

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, and the 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.

# Ngunguru School

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

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

##### b) Basis of Preparation

###### **Reporting Period**

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

###### **Basis of Preparation**

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

###### **Financial Reporting Standards Applied**

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

###### **PBE Accounting Standards Reduced Disclosure Regime**

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

###### **Measurement Base**

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

###### **Presentation Currency**

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

###### **Specific Accounting Policies**

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

###### **Critical Accounting Estimates And Assumptions**

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

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

###### **Cyclical maintenance**

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

#### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.

#### **Critical Judgements in applying accounting policies**

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

##### *Classification of leases*

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

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 14. Future operating lease commitments are disclosed in note 20b.

##### *Recognition of grants*

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

### **c) Revenue Recognition**

#### **Government Grants**

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

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

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

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

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

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

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

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

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

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

### **Interest Revenue**

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

### **d) Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

### **e) Finance Lease Payments**

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

### **f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

### **g) Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

### **h) Inventories**

Inventories are consumable items held for sale and 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.

### **i) Investments**

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

### **j) Property, Plant and Equipment**

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

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

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

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

### **Finance Leases**

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

### **Depreciation**

Property, plant and equipment are depreciated over their estimated useful lives on a straight line 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	40 years
Buildings	40 years
Furniture and Equipment	5-18 years
Information and Communication Technology	4 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease

### **k) Intangible Assets**

#### *Software costs*

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

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

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

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

#### *Non cash generating assets*

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

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

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

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

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

### **m) Accounts Payable**

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

## **n) Employee Entitlements**

### *Short-term employee entitlements*

Employee 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, to but not yet taken at balance date.

### *Long-term employee entitlements*

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

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

## **o) 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.

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

## **p) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

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

## **q) 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.

## **r) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts 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.

#### **s) Provision for Cyclical Maintenance**

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

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

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

#### **t) Financial Instruments**

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

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

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

#### **u) Borrowings**

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

#### **v) 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.

#### **w) Budget Figures**

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

#### **x) 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	534,035	512,302	611,110
Teachers' Salaries Grants	1,462,272	1,524,442	1,490,559
Use of Land and Buildings Grants	660,051	492,495	618,398
Other Government Grants	13,049	10,950	18,335
	<u>2,669,407</u>	<u>2,540,189</u>	<u>2,738,402</u>

The school has opted in to the donations scheme for this year. Total amount received was \$39,763.

## 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	7,818	9,000	15,190
Fees for Extra Curricular Activities	12,601	3,800	41,965
Trading	2,050	3,000	2,674
Fundraising & Community Grants	5,284	-	31,827
After School Care	21,062	24,000	26,614
Other Revenue	2,419	-	-
	<u>51,234</u>	<u>39,800</u>	<u>118,270</u>
<b>Expense</b>			
Extra Curricular Activities Costs	12,522	5,000	74,541
Trading	3,311	3,000	3,733
Fundraising & Community Grant Costs	-	-	694
After School Care	41,949	33,450	41,261
	<u>57,782</u>	<u>41,450</u>	<u>120,229</u>
<i>Surplus/(Deficit) for the year Locally raised funds</i>	<u>(6,548)</u>	<u>(1,650)</u>	<u>(1,959)</u>

## 4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	38,528	65,850	49,528
Library Resources	1,956	2,500	1,829
Employee Benefits - Salaries	1,583,615	1,693,218	1,730,646
Staff Development	7,137	8,500	7,652
Depreciation	66,281	60,210	63,705
Information Communication Technology	6,033	6,500	3,789
Equipment Repairs	-	500	91
	<u>1,703,550</u>	<u>1,837,278</u>	<u>1,857,240</u>

## 5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fees	6,206	6,206	6,026
Board Fees	1,345	4,270	3,740
Board Expenses	15,674	14,950	66,889
Communication	4,352	4,800	3,920
Consumables	4,106	10,000	6,869
Operating Leases	5,760	5,760	5,760
Legal Fees	-	-	7,398
Other	15,959	14,534	18,402
Employee Benefits - Salaries	141,718	126,618	129,043
Insurance	3,077	2,420	2,739
Service Providers, Contractors and Consultancy	13,440	13,960	12,084
	<u>211,637</u>	<u>203,518</u>	<u>262,870</u>

## 6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	8,667	13,000	12,353
Cyclical Maintenance Provision	15,666	7,872	(3,569)
Grounds	12,182	3,400	3,237
Heat, Light and Water	17,550	13,900	16,774
Rates	7,863	6,600	6,416
Repairs and Maintenance	4,126	7,400	18,682
Use of Land and Buildings	660,051	492,495	618,398
Security	326	1,000	5,405
	<u>726,431</u>	<u>545,667</u>	<u>677,696</u>

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

## 7. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	52,575	237,312	130,299
Cash and cash equivalents for Statement of Cash Flows	<u>52,575</u>	<u>237,312</u>	<u>130,299</u>

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

Of the \$52,575 Cash and Cash Equivalents \$39,879 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings.

## 8. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	1,429	86	12
Receivables from the Ministry of Education	424	-	-
Teacher Salaries Grant Receivable	101,667	120,579	132,664
Banking Staffing Underuse	80,235	-	-
	<b>183,755</b>	<b>120,665</b>	<b>132,676</b>
Receivables from Exchange Transactions	1,429	86	12
Receivables from Non-Exchange Transactions	182,326	120,579	132,664
	<b>183,755</b>	<b>120,665</b>	<b>132,676</b>

## 9. Inventories

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Stationery	-	2,563	1,637
	<b>-</b>	<b>2,563</b>	<b>1,637</b>

## 10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2023</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Buildings	156,203	-	(13,681)	-	(6,437)	<b>136,085</b>
Building Improvements	84,589	-	(14,062)	-	(4,773)	<b>65,754</b>
Furniture and Equipment	132,908	20,981	(28,678)	-	(21,921)	<b>103,290</b>
Information and Communication Technology	41,292	17,834	(4,963)	-	(19,987)	<b>34,176</b>
Leased Assets	24,817	13,339	(937)	-	(11,186)	<b>26,033</b>
Library Resources	6,509	1,081	-	-	(1,977)	<b>5,613</b>
<b>Balance at 31 December 2023</b>	<b>446,318</b>	<b>53,235</b>	<b>(62,321)</b>	<b>-</b>	<b>(66,281)</b>	<b>370,951</b>

The net carrying value of equipment held under a finance lease is \$26,033 (2022: \$24,817)

### Restrictions

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

	2023 Cost or Valuation \$	2023 Accumulated Depreciation \$	2023 Net Book Value \$	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$
Buildings	220,596	(84,511)	<b>136,085</b>	259,736	(102,262)	<b>157,474</b>
Building Improvements	187,572	(121,818)	<b>65,754</b>	231,322	(146,733)	<b>84,589</b>
Furniture and Equipment	239,844	(136,554)	<b>103,290</b>	289,073	(156,165)	<b>132,908</b>
Information and Communication Technology	119,608	(85,432)	<b>34,176</b>	130,607	(90,586)	<b>40,021</b>
Motor Vehicles	15,500	(15,500)	<b>-</b>	15,500	(15,500)	<b>-</b>
Leased Assets	42,457	(16,424)	<b>26,033</b>	44,095	(19,278)	<b>24,817</b>
Library Resources	56,873	(51,260)	<b>5,613</b>	55,792	(49,283)	<b>6,509</b>
<b>Balance at 31 December</b>	<b>882,450</b>	<b>(511,499)</b>	<b>370,951</b>	<b>1,026,125</b>	<b>(579,807)</b>	<b>446,318</b>

## 11. Accounts Payable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Creditors	111,211	15,687	19,659
Accruals	9,219	5,343	6,026
Banking Staffing Overuse	-	6,471	4,560
Employee Entitlements - Salaries	101,667	120,579	132,664
Employee Entitlements - Leave Accrual	3,859	53,153	47,982
	<u>225,956</u>	<u>201,233</u>	<u>210,891</u>

Payables for Exchange Transactions	225,956	201,233	210,891
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>225,956</u>	<u>201,233</u>	<u>210,891</u>

The carrying value of payables approximates their fair value.

## 12. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Govt Revenue Received in Advance	4,662	-	-
Other Received In Advance	5,902	5,951	2,951
	<u>10,564</u>	<u>5,951</u>	<u>2,951</u>

## 13. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	32,998	20,589	36,567
Increase to the Provision During the Year	7,741	7,872	7,802
Other Adjustments	7,925	-	(11,371)
Provision at the End of the Year	<u>48,664</u>	<u>28,461</u>	<u>32,998</u>
Cyclical Maintenance - Current	15,635	22,182	12,559
Cyclical Maintenance - Non current	33,029	6,279	20,439
	<u>48,664</u>	<u>28,461</u>	<u>32,998</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 / painting quotes.

#### 14. Finance Lease Liability

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	18,480	13,572	16,482
Later than One Year and no Later than Five Years	22,724	36,867	27,733
Future Finance Charges	(3,863)	-	(5,097)
	<u>37,341</u>	<u>50,439</u>	<u>39,118</u>
<b>Represented by</b>			
Finance lease liability - Current	15,962	13,572	13,717
Finance lease liability - Non current	21,379	36,867	25,401
	<u>37,341</u>	<u>50,439</u>	<u>39,118</u>

## 15. 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 projects is included under cash and cash equivalents in note 7.

2023	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Carpentry Project	214680	(2,352)	-	-	-	(2,352)
Field Drainage Project	214679	1,668	-	(9,592)	-	(7,924)
AMS Combined:1	214683	(86,905)	28,698	(58,966)	-	(117,173)
Blocks 1,2,3 Heatpumps	228741	(329)	-	-	-	(329)
Sensory Garden Project	228743	(3,637)	-	-	-	(3,637)
Security Alarms,Fencing	228740	(11,356)	-	-	-	(11,356)
Install Concrete Court Surface	228742	15,457	-	-	-	15,457
Multiple Outdoor Projects	234774	16,906	-	(6,923)	-	9,983
SIP: Block 3 Refurb of Dental Clinic	234773	14,439	-	-	-	14,439
Block 2: Lightning Strike	237286	-	13,089	(13,089)	-	-
Drainage Investigation	245300	-	-	(16,443)	-	(16,443)
Internal Sliding Doors	245448	-	-	(24,700)	-	(24,700)
Ventilation and Moisture	245297	-	-	(449)	-	(449)
Site: Electrical	245296	-	-	(3,258)	-	(3,258)
Roof Repairs & Replacement	245295	-	-	(16,043)	-	(16,043)
Totals		(56,109)	41,787	(149,463)	-	(163,785)

### Represented by:

Funds Held on Behalf of the Ministry of Education	39,879
Funds Receivable from the Ministry of Education	(203,664)

2022	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Carpentry Project	214680	(2,352)	-	-	-	(2,352)
Field Drainage Project	214679	1,668	-	-	-	1,668
AMS Combined:1	214683	486,625	-	(573,530)	-	(86,905)
Blocks 1,2,3 Heatpumps	228741	(329)	-	-	-	(329)
Sensory Garden Project	228743	(13,232)	9,595	-	-	(3,637)
Security Alarms,Fencing	228740	(2,429)	10,800	(19,727)	-	(11,356)
Install Concrete Court Surface	228742	-	31,500	(16,043)	-	15,457
Multiple Outdoor Projects	234774	-	34,178	(17,272)	-	16,906
SIP: Block 3 Refurb of Dental Clinic	234773	-	14,439	-	-	14,439
Totals		469,951	100,512	(626,572)	-	(56,109)

### Represented by:

Funds Held on Behalf of the Ministry of Education	48,470
Funds Receivable from the Ministry of Education	(104,579)

## 16. 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 conditions 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.

## 17. Remuneration

### Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	1,345	3,740
<i>Leadership Team</i>		
Remuneration	148,284	445,928
Full-time equivalent members	1.00	4.04
Total key management personnel remuneration	149,629	449,668

There are 6 members of the Board excluding the Principal. The Board has held 8 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	30 - 40	140 - 150
Benefits and Other Emoluments	-	4 - 5
Termination Benefits	-	-

### Principal 2

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

Salary and Other Payments	110 - 120	-
Benefits and Other Emoluments	3 - 4	-
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	4.00	-
110 - 120	1.00	-
	5.00	0.00

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

## 18. Compensation and Other Benefits Upon Leaving

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

	2023 Actual	2022 Actual
Total	-	\$45,000
Number of People	-	1

## 19. 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: the same).

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.

### 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.

## 20. Commitments

### (a) Capital Commitments

As at 31 December 2023, the Board had capital commitments of \$288,529 (2022:\$-72,938) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Carpentry Project	14,520	15,420	-900
Field Drainage Project	38,700	42,754	-4,054
AMS Combined:1	604,451	771,984	-167,533
Blocks 1,2,3 Heatpumps	12,000	11,129	871
Sensory Garden Project	10,661	13,232	-2,571
Security Alarms,Fencing	22,000	41,956	-19,956
Install Concrete Court Surface	35,473	16,043	19,430
Multiple Outdoor Projects	38,489	24,195	14,294
SIP: Block 3 Refurb of Dental Clinic	12,000	0	12,000
Drainage Investigation	66,254	16,443	49,811
Internal Sliding Doors	181,986	24,700	157,286
Ventilation and Moisture	12,322	449	11,873
Site: Electrical	177,739	3,258	174,481
Roof Repairs & Replacement	59,540	16,043	43,497
<b>Total</b>	<b>1,286,135</b>	<b>997,606</b>	<b>288,529</b>

## (b) Operating Commitments

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

(a) operating lease of photocopiers;

	2023 Actual \$	2022 Actual \$
No later than One Year	5,760	5,760
Later than One Year and No Later than Five Years	7,200	12,960
Later than Five Years	-	-
	<u>12,960</u>	<u>18,720</u>

The total lease payments incurred during the period were \$5,760 (2022: \$5,760).

## 21. 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	52,575	237,312	130,299
Receivables	183,755	120,665	132,676
Investments - Term Deposits	-	-	-
	<u>236,330</u>	<u>357,977</u>	<u>262,975</u>

### Financial liabilities measured at amortised cost

Payables	225,956	201,233	210,891
Finance Leases	37,341	50,439	39,118
	<u>263,297</u>	<u>251,672</u>	<u>250,009</u>

## 22. Events After Balance Date

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

## 23. Comparatives

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

## Ngunguru School

### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Melissa Gilbert-Smith	Presiding Member	Elected	Jun 2025
Rosemary Murphy	Principal	ex Officio	
John McGowan	Acting Principal	ex Officio	Apr 2023
Amber Fayerberg	Parent Representative	Elected	Jun 2025
Joel Higgle	Parent Representative	Elected	Jun 2025
Leila Amos	Parent Representative	Elected	Jun 2025
Chanelle Armstrong	Parent Representative	Elected	Jun 2025
Meiteria Wellin	Parent Representative	Elected	Jun 2025
Peter Tuhaka	Staff Representative	Elected	Apr 2023
Terasa Capon	Staff Representative	Elected	Jun 2025

## Ngunguru School

## Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2023, the school received total Kiwisport funding of \$3,457 (excluding GST). The funding was spent on sporting endeavours.

## Statement of Compliance with Employment Policy

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

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