

# **TE KUITI HIGH SCHOOL**

## **ANNUAL FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**



# TE KUITI HIGH SCHOOL

## ANNUAL FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### School Directory

**Ministry Number:** 160

**Principal:** Gareth Williams

**School Address:** Hospital Road, Te Kuiti

**School Postal Address:** P O Box 264, Te Kuiti. 3941

**School Phone:** 07 878 6292

**School Email:** [ltaylor@tkhs.school.nz](mailto:ltaylor@tkhs.school.nz)

#### Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Hilary Karaitiana	Presiding Member	Re-Elected	Sep-25
Gareth Williams	Principal	ex Officio	
Jo Randle	Parent Representative	Re-Elected	Sep-25
Nikki Taylor	Parent Representative	Re-Elected	Sep-25
Alton Matthews	Parent Representative	Elected	Sep-25
Sarah McElroy	Parent Representative	Elected	Sep-25
Marama Shearer	Staff Representative	Elected	Sep-25
Avi Mudaliar	Student Representative	Elected	Sep-24
Blake Matthews	Student Representative	Elected	Sep-23

**Accountant / Service Provider:**



# TE KUITI HIGH SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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# Te Kuiti High School

## Statement of Responsibility

For the year ended 31 December 2023

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the Principal and others, as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2023 fairly reflects the financial position and operations of the school.


The School's 2023 financial statements are authorised for issue by the Board.

Hilary Karaitiana  
Full Name of Presiding Member

  
Signature of Presiding Member

03/04/2024  
Date:

Gareth Williams  
Full Name of Principal

  
Signature of Principal

03/04/2024  
Date:

# Te Kuiti High School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Revenue</b>				
Government Grants	2	5,612,865	4,702,756	5,115,213
Locally Raised Funds	3	207,684	111,400	77,392
Interest		61,606	-	16,913
Gain on Sale of Property, Plant and Equipment		2,174	-	935
<b>Total Revenue</b>		<b>5,884,329</b>	<b>4,814,156</b>	<b>5,210,453</b>
<b>Expense</b>				
Locally Raised Funds	3	138,837	123,800	126,972
Learning Resources	4	3,841,396	3,599,056	3,277,043
Administration	5	685,800	334,710	565,673
Interest		3,899	5,400	5,366
Property	6	1,245,369	1,052,748	934,092
Loss on Disposal of Property, Plant and Equipment		274	500	3,424
<b>Total Expense</b>		<b>5,915,575</b>	<b>5,116,214</b>	<b>4,912,570</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>(31,246)</b>	<b>(302,058)</b>	<b>297,883</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(31,246)</b>	<b>(302,058)</b>	<b>297,883</b>

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

# Te Kuiti High 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>		2,348,976	2,346,616	2,045,297
Total comprehensive revenue and expense for the year		(31,246)	(302,058)	297,883
Reserves - Scholarship		-	-	5,796
<b>Equity at 31 December</b>		2,317,730	2,044,558	2,348,976
Accumulated comprehensive revenue and expense		2,311,934	2,044,558	2,343,180
Reserves		5,796	-	5,796
<b>Equity at 31 December</b>		2,317,730	2,044,558	2,348,976

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.

# Te Kuiti High 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	1,238,137	1,039,519	1,262,482
Accounts Receivable	8	322,046	363,268	369,529
GST Receivable		49,060	65,206	67,528
Prepayments		36,800	17,564	17,564
Inventories	9	58,183	56,112	56,112
Investments	10	435,602	435,602	435,602
Funds Receivable for Capital Works Projects	17	16,839	-	-
		2,156,667	1,977,271	2,208,817
<b>Current Liabilities</b>				
Accounts Payable	12	437,140	427,079	465,039
Revenue Received in Advance	13	26,577	25,246	25,246
Provision for Cyclical Maintenance	14	150,086	180,353	180,353
Finance Lease Liability	15	21,179	19,535	18,380
Funds held in Trust	16	163,014	146,589	100,000
Funds held for Capital Works Projects	17	-	-	658
Funds held on behalf of School Cluster	18	156,770	238,120	238,120
		954,766	1,036,922	1,027,796
<b>Working Capital Surplus/(Deficit)</b>		1,201,901	940,349	1,181,021
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	1,130,971	1,122,975	1,206,256
		1,130,971	1,122,975	1,206,256
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	-	6,667	6,667
Finance Lease Liability	15	15,142	12,099	31,634
		15,142	18,766	38,301
<b>Net Assets</b>		2,317,730	2,044,558	2,348,976
<b>Equity</b>		2,317,730	2,044,558	2,348,976

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

# Te Kuiti High School

## Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		2,177,824	1,766,583	1,702,130
Locally Raised Funds		226,267	144,610	75,555
Goods and Services Tax (net)		18,468	(34,578)	(32,083)
Payments to Employees		(709,638)	(641,796)	(518,513)
Payments to Suppliers		(1,623,484)	(1,157,212)	(793,799)
Interest Paid		(3,899)	(5,399)	(5,366)
Interest Received		50,787	(6,819)	10,094
Net cash from/(to) Operating Activities		136,325	65,389	438,018
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		2,174	9,570	935
Purchase of Property Plant & Equipment (and Intangibles)		(108,096)	(195,369)	(325,357)
Net cash from/(to) Investing Activities		(105,922)	(185,799)	(324,422)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(18,915)	(18,380)	(18,525)
Funds Administered on Behalf of Other Parties		(35,833)	198,576	184,792
Net cash from/(to) Financing Activities		(54,748)	180,196	166,267
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(24,345)</b>	<b>59,786</b>	<b>279,863</b>
Cash and cash equivalents at the beginning of the year	7	1,262,482	979,733	982,619
<b>Cash and cash equivalents at the end of the year</b>	7	<b>1,238,137</b>	<b>1,039,519</b>	<b>1,262,482</b>

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, use of land and buildings grant and expense and other notional items have been excluded.

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



# Te Kuiti High School

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### 1. Statement of Accounting Policies

##### **a) Reporting Entity**

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

##### **b) Basis of Preparation**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

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

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment, as disclosed in the significant accounting policies, are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

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

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

#### **Classification of leases**

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

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 23.

#### **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 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.

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

The estimated useful lives of the assets are:

Building improvements	10–40 years
Buildings	40 years
Furniture and equipment	5–20 years
Information and communication technology	3–5 years
Motor vehicles	5 years
Textbooks	4 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

#### **k) 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.

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.

#### **l) 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.

#### **m) 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.

#### **n) 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 international students, should the School be unable to provide the services to which they relate.

#### **o) 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.

**p) Funds held for Capital works**

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose. As such, these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

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

**q) 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.

**r) 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.

**s) 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.

**t) 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.

**u) Budget Figures**

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

**v) 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	2,035,097	1,578,098	1,966,127
Teachers' Salaries Grants	2,737,038	2,510,000	2,507,259
Use of Land and Buildings Grants	756,074	540,248	540,248
Other Government Grants	84,656	74,410	101,579
	<u>5,612,865</u>	<u>4,702,756</u>	<u>5,115,213</u>

The school has opted in to the donations scheme for this year. Total amount received was \$44,078.

## 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	25,520	2,000	6,337
Fees for Extra Curricular Activities	115,522	31,500	11,958
Trading	36,527	45,500	25,123
Fundraising & Community Grants	18,640	18,600	20,174
Other Revenue	11,475	13,800	13,800
	<u>207,684</u>	<u>111,400</u>	<u>77,392</u>
<b>Expense</b>			
Extra Curricular Activities Costs	99,065	66,500	73,749
Trading	30,341	45,500	49,355
Fundraising and Community Grant Costs	-	2,500	2,530
Other Locally Raised Funds Expenditure	9,431	9,300	1,338
	<u>138,837</u>	<u>123,800</u>	<u>126,972</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>68,847</u>	<u>(12,400)</u>	<u>(49,580)</u>

Donations include a \$2,500 bequest from John Davidson which is earmarked for the school band in future years. If the School Band no longer exists, the money can be utilised in accordance with the discretion of the Board of Trustees.

## 4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	392,741	488,816	161,394
Equipment Repairs	823	3,000	66,410
Information and Communication Technology	67,518	46,600	46,148
Library Resources	831	1,100	291
Employee Benefits - Salaries	3,173,720	2,870,350	2,825,037
Staff Development	17,434	10,500	12,416
Depreciation	188,329	178,690	165,347
	<u>3,841,396</u>	<u>3,599,056</u>	<u>3,277,043</u>

## 5. Administration

	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	
Audit Fees	7,475	6,000	9,865
Board Fees	4,085	4,000	4,176
Board Expenses	9,187	8,640	6,385
Communication	15,840	22,520	10,970
Consumables	14,646	12,300	11,350
Operating Leases	781	3,850	2,005
Legal Fees	-	5,000	1,026
Other	412,609	46,500	395,167
Employee Benefits - Salaries	195,023	180,000	100,846
Insurance	17,730	25,900	11,151
Service Providers, Contractors and Consultancy	8,424	20,000	12,732
	<u>685,800</u>	<u>334,710</u>	<u>565,673</u>

## 6. Property

	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	
Caretaking and Cleaning Consumables	6,538	6,000	6,391
Consultancy and Contract Services	76,101	85,000	86,973
Cyclical Maintenance	43,743	125,000	52,727
Grounds	58,355	40,000	39,055
Heat, Light and Water	81,145	69,000	73,721
Rates	9,448	10,500	10,578
Repairs and Maintenance	121,729	116,500	92,223
Use of Land and Buildings	756,074	540,248	540,248
Employee Benefits - Salaries	92,236	60,500	32,176
	<u>1,245,369</u>	<u>1,052,748</u>	<u>934,092</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

	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	
Bank Accounts	1,238,137	1,039,519	1,262,482
Cash and cash equivalents for Statement of Cash Flows	<u>1,238,137</u>	<u>1,039,519</u>	<u>1,262,482</u>

Of the \$1,238,137 Cash and Cash Equivalents, \$156,770 is held by the School on behalf of the Te Kuiti Transport Network. See note 18 for details of how the funding received for the cluster has been spent in the year.

Of the \$1,238,137 Cash and Cash Equivalents, \$163,014 is held by the School on behalf of the third party for Stadium Project.

## 8. Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Receivables	8,537	83,665	6,261
Receivables from the Ministry of Education	1,977	60,048	60,048
Transport Network Receivables	64,137	-	83,665
Interest Receivable	19,810	8,991	8,991
Teacher Salaries Grant Receivable	227,585	210,564	210,564
	<u>322,046</u>	<u>363,268</u>	<u>369,529</u>
Receivables from Exchange Transactions	92,484	92,656	98,917
Receivables from Non-Exchange Transactions	229,562	270,612	270,612
	<u>322,046</u>	<u>363,268</u>	<u>369,529</u>

## 9. Inventories

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Stationery	7,825	9,428	9,428
School Uniforms	50,358	46,684	46,684
	<u>58,183</u>	<u>56,112</u>	<u>56,112</u>

## 10. Investments

The School's investment activities are classified as follows:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	435,602	435,602	435,602
	<u>435,602</u>	<u>435,602</u>	<u>435,602</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Land - School	39,000	-	-	-	-	39,000
Buildings - School	495,133	-	-	-	(16,840)	478,293
Building Improvements - Crown	57,552	-	-	-	(5,251)	52,301
Furniture and Equipment	295,473	12,759	-	-	(37,319)	270,913
Information and Communication Technology	202,969	76,226	-	-	(88,367)	190,828
Motor Vehicles	25,922	-	-	-	(10,035)	15,887
Leased Assets	44,723	5,222	-	-	(19,305)	30,640
Library Resources	28,873	3,551	(274)	-	(4,019)	28,131
Music	3,673	8,503	-	-	(2,564)	9,612
Property & Grounds Equipment	12,938	7,057	-	-	(4,629)	15,366
<b>Balance at 31 December 2023</b>	<u>1,206,256</u>	<u>113,318</u>	<u>(274)</u>	<u>-</u>	<u>(188,329)</u>	<u>1,130,971</u>



The net carrying value of furniture and equipment held under a finance lease is \$30,640 (2022: \$44,723)

#### 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
	\$	\$	\$	\$	\$	\$
Land - School	39,000	-	<b>39,000</b>	39,000	-	<b>39,000</b>
Buildings - School	732,179	(253,886)	<b>478,293</b>	732,179	(237,046)	<b>495,133</b>
Building Improvements - Crown	99,925	(47,624)	<b>52,301</b>	99,925	(42,373)	<b>57,552</b>
Furniture and Equipment	1,394,119	(1,123,206)	<b>270,913</b>	1,381,360	(1,085,887)	<b>295,473</b>
Information and Communication Technology	1,182,507	(991,679)	<b>190,828</b>	1,106,281	(903,312)	<b>202,969</b>
Motor Vehicles	245,224	(229,337)	<b>15,887</b>	248,175	(222,253)	<b>25,922</b>
Leased Assets	78,795	(48,155)	<b>30,640</b>	74,684	(29,961)	<b>44,723</b>
Library Resources	91,768	(63,637)	<b>28,131</b>	89,063	(60,190)	<b>28,873</b>
Music	13,594	(3,982)	<b>9,612</b>	5,091	(1,418)	<b>3,673</b>
Property & Grounds Equipment	23,521	(8,155)	<b>15,366</b>	16,463	(3,525)	<b>12,938</b>
<b>Balance at 31 December 2023</b>	<b>3,900,632</b>	<b>(2,769,661)</b>	<b>1,130,971</b>	<b>3,792,221</b>	<b>(2,585,965)</b>	<b>1,206,256</b>

#### 12. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	134,979	162,742	186,255
Accruals	6,620	14,567	14,567
Employee Entitlements - Salaries	244,485	224,162	224,162
Employee Entitlements - Leave Accrual	51,056	25,608	40,055
	<b>437,140</b>	<b>427,079</b>	<b>465,039</b>
Payables for Exchange Transactions	437,140	427,079	465,039
	<b>437,140</b>	<b>427,079</b>	<b>465,039</b>

The carrying value of payables approximates their fair value.

#### 13. Revenue Received in Advance

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Other revenue in Advance	26,577	25,246	25,246
	<b>26,577</b>	<b>25,246</b>	<b>25,246</b>

#### 14. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	187,020	134,293	134,293
Increase to the Provision During the Year	7,210	125,000	39,685
Use of the Provision During the Year	(44,144)	(72,273)	-
Other Adjustments	-	-	13,042
Provision at the End of the Year	<u>150,086</u>	<u>187,020</u>	<u>187,020</u>
Cyclical Maintenance - Current	150,086	180,353	180,353
Cyclical Maintenance - Non current	-	6,667	6,667
	<u>150,086</u>	<u>187,020</u>	<u>187,020</u>

The schools cyclical maintenance schedule details annual painting to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the schools 10 Year Property plan or quotes from local painting contractors.

#### 15. Finance Lease Liability

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	23,614	21,535	22,124
Later than One Year and no Later than Five Years	16,047	12,899	34,367
Future Finance Charges	(3,340)	(2,800)	(6,477)
	<u>36,321</u>	<u>31,634</u>	<u>50,014</u>
<b>Represented by</b>			
Finance lease liability - Current	21,179	19,535	18,380
Finance lease liability - Non current	15,142	12,099	31,634
	<u>36,321</u>	<u>31,634</u>	<u>50,014</u>

#### 16. Funds held in Trust

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Funds Held in Trust on Behalf of Third Parties - Stadium	163,014	146,589	100,000
	<u>163,014</u>	<u>146,589</u>	<u>100,000</u>

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

## 17. Funds Held for Capital Works Projects

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

	<b>2023</b>	<b>Opening Balances \$</b>	<b>Receipts from MOE \$</b>	<b>Payments \$</b>	<b>Board Contributions \$</b>	<b>Closing Balances \$</b>
Music Room (228475)		658	22,755	(40,252)	-	(16,839)
<b>Totals</b>		<u>658</u>	<u>22,755</u>	<u>(40,252)</u>	<u>-</u>	<u>(16,839)</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	(16,839)

	<b>2022</b>	<b>Opening Balances \$</b>	<b>Receipts from MOE \$</b>	<b>Payments \$</b>	<b>Board Contributions \$</b>	<b>Closing Balances \$</b>
Black Mould Admin Block (219672)		(31,136)	6,080	-	25,056	-
Heatpumps (219590)		2,748	-	(17,018)	14,270	-
Drainage & Plumbing Staff Toilets (218942)		2,036	-	-	(2,036)	-
Music Room (228475)		-	8,461	(7,803)	-	658
<b>Totals</b>		<u>(26,352)</u>	<u>14,541</u>	<u>(24,821)</u>	<u>37,290</u>	<u>658</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	658
Funds Receivable from the Ministry of Education	-

## 18. Funds Held on Behalf of Te Kuiti Transport Network

Te Kuiti High School is the lead school funded by the Ministry of Education to provide transport services to its cluster of schools.

	<b>2023</b> <b>Actual</b> <b>\$</b>	<b>2023</b> <b>Budget</b> <b>(Unaudited)</b> <b>\$</b>	<b>2022</b> <b>Actual</b> <b>\$</b>
Funds Held at Beginning of the Year	238,120	238,120	180,338
Funds Received from Interest	14,270	3,000	2,866
Funds Received from MOE	473,310	430,000	415,864
Total funds received	<u>487,580</u>	<u>433,000</u>	<u>418,730</u>
Funds Spent on Behalf of the Cluster			
Bus Cost	461,170	423,000	346,813
Management, Accounting & Bank Fees	5,151	5,000	8,918
Administration Fee	2,609	5,000	5,217
Total Funds Spent	<u>468,930</u>	<u>433,000</u>	<u>360,948</u>
Surplus for Year	18,650	-	57,782
Funds remaining	256,770	238,120	238,120
Distribution of Funds			
Te Kuiti High School	34,800		
Centennial Park School	3,200		
Rangitoto School	13,000		
St Joseph's Catholic School	8,900		
Pukenui School	14,000		
Te Kuiti Primary School	26,100		
Funds Held at Year End	<u><u>156,770</u></u>	<u><u>238,120</u></u>	<u><u>238,120</u></u>
<b>Current Assets</b>			
Cash at bank	261,645	393,010	393,010
<b>Current Liabilities</b>			
Operating Creditors	103,595	145,428	145,428
GST owing	1,280	9,462	9,462
<b>Equity</b>	<u><u>156,770</u></u>	<u><u>238,120</u></u>	<u><u>238,120</u></u>

## 19. 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.

The School house is rented to Gareth Williams (the Principal). The rental was set at \$225 per week. The annual rental is less than \$25,000 and does not require Ministry approval under Schedule 23 Clause 10 of the Education and Training Act 2020.

## 20. Remuneration

### Key management personnel compensation

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

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
<i>Board Members</i> Remuneration	4,085	4,176
<i>Leadership Team</i> Remuneration	482,618	395,391
Full-time equivalent members	3.74	3.00
Total key management personnel remuneration	486,703	399,567

There are seven members of the Board excluding the Principal. The Board has held ten full meetings of the Board in the year. The Board also has Finance (2 members) and Property (2 members) committees that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### Principal

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

	<b>2023 Actual \$000</b>	<b>2022 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	150 - 160
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

### Other Employees

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

<b>Remuneration \$000</b>	<b>2023 FTE Number</b>	<b>2022 FTE Number</b>
100 - 110	6.00	9.00
110 - 120	7.00	0.00
120 - 130	1.00	0.00
	14.00	9.00

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

## 21. 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:

	<b>2023 Actual</b>	<b>2022 Actual</b>
Total	\$0	\$0
Number of People	nil	nil

## 22. 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).

The Board was notified of a claim of alleging a breach of contract. The Board has not recognised this matter in the financial statements because the likelihood of the claim surfacing is not probable as there is no substance to the matter.

### 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.

## 23. Commitments

### (a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$32,376 (2022:\$30,564) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Music Room (228475)	classified	48,055	-
Carpet Flooring School Hall	38,367	5,991	32,376
<b>Total</b>	<b>38,367</b>	<b>54,046</b>	<b>32,376</b>

## 24. Financial Instruments

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

### Financial assets measured at amortised cost

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	1,238,137	1,039,519	1,262,482
Receivables	322,046	363,268	369,529
Investments - Term Deposits	435,602	435,602	435,602
Total financial assets measured at amortised cost	<u>1,995,785</u>	<u>1,838,389</u>	<u>2,067,613</u>

### Financial liabilities measured at amortised cost

Payables	437,140	427,079	465,039
Finance Leases	36,321	31,634	50,014
Total financial liabilities measured at amortised cost	<u>473,461</u>	<u>458,713</u>	<u>515,053</u>

## 25. Events After Balance Date

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

## 26. Advances to Employees

The Board of Trustees did not comply with section 154 of the Education and Training Act 2020 as it made advances to employees during the financial year

# **Te Kuiti High School Kiwisport Statement**

For the year ended 31 December 2023

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2023, the school received a Kiwisport funding of \$6,750 (excluding GST) [2022: \$6,497]. The funding was used to partially fund a Sport & Recreation Coordinator for 10 hours per week.

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

For the year ended 31 December 2023

For the year ended 31 December 2023: the Te Kuiti School Board:

Has developed and implemented personnel policies, within policy and procedural frameworks to ensure fair and proper treatment of employees in all aspects of their employment.

Has reviewed its compliance against both its personnel policy and procedure and can report that it meets all requirements and has 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.