

BIRCHVILLE SCHOOL

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023



Ministry Number: 2810

Principal: Robyn Brown

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Accountant/Service Provider: Accounting for Schools Limited

BIRCHVILLE SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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BIRCHVILLE SCHOOL
Statement of Responsibility
For the year ended 31 December 2023

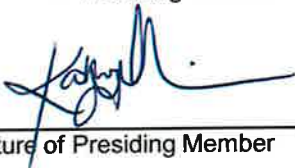
The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

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.

Kathryn Wilson
Full Name of Presiding Member


Signature of Presiding Member

27 May 2024
Date:

Robyn Brown
Full Name of Principal


Signature of Principal

27 May 2024
Date:

BIRCHVILLE SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue				
Government Grants	2	1,442,248	1,425,365	1,384,815
Locally Raised Funds	3	163,943	27,514	65,034
Interest Revenue		7,516	-	2,874
Gain on Revaluation of Shares		-	-	140
		<u>1,613,707</u>	<u>1,452,879</u>	<u>1,452,863</u>
Expenses				
Locally Raised Funds	3	20,271	8,414	23,816
Learning Resources	4	1,108,266	1,006,598	1,030,559
Administration	5	132,531	133,499	126,882
Property	6	316,070	303,400	258,349
Interest Expense		970	750	719
Unrealised Loss on Revaluation of Shares		468	-	
		<u>1,578,576</u>	<u>1,452,661</u>	<u>1,440,325</u>
Net Surplus / (Deficit)		35,131	218	12,538
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>35,131</u></u>	<u><u>218</u></u>	<u><u>12,538</u></u>

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

BIRCHVILLE SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2023

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Balance at 1 January	306,070	293,527	293,532
Total comprehensive revenue and expense for the year	35,131	218	12,538
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	10,332	-	-
Te Mana Tuuhono	14,982	-	-
BOT Contribution to Capital Works Projects	(30,114)	-	-
Equity at 31 December	336,401	293,745	306,070
Accumulated Comprehensive Revenue and Expense	336,401	293,745	306,070
Equity at 31 December	336,401	293,745	306,070

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.

BIRCHVILLE SCHOOL
Statement of Financial Position
As at 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	125,726	176,456	372,820
Accounts Receivable	8	90,078	72,600	84,160
GST Receivable		4,786	-	-
Investments	9	-	65,000	67,420
Funds held for Capital Works Projects	15	12,369	-	12,007
Prepayments		7,113	4,520	5,163
		<u>240,072</u>	<u>318,576</u>	<u>541,570</u>
Current Liabilities				
Accounts Payable	11	111,463	97,603	173,926
Finance Lease Liability	14	5,774	5,000	5,558
Funds held for Capital Works Projects	15	-	-	63,440
GST Payable		-	2,500	1,075
Revenue Received in Advance	12	10,965	5,000	102,970
Provision for Cyclical Maintenance	13	9,000	9,500	7,875
		<u>137,202</u>	<u>119,603</u>	<u>354,844</u>
Working Capital Surplus		102,870	198,973	186,726
Non-current Assets				
Investments	9	4,360	4,500	4,828
Property, Plant and Equipment	10	283,428	129,772	142,085
Work in Progress		-	-	20,392
		<u>287,788</u>	<u>134,272</u>	<u>167,305</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	47,750	30,000	39,706
Finance Lease Liability	14	6,507	9,500	8,255
		<u>54,257</u>	<u>39,500</u>	<u>47,961</u>
Net Assets		<u>336,401</u>	<u>293,745</u>	<u>306,070</u>
Equity		<u>336,401</u>	<u>293,745</u>	<u>306,070</u>

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

BIRCHVILLE SCHOOL
Statement of Cash Flows
For the year ended 31 December 2023

	2023	2023	2022
Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities			
Government Grants	467,143	469,424	473,572
Locally Raised Funds	168,190	(70,454)	163,382
Goods and Services Tax (net)	(5,849)	1,422	3,724
Payments to Employees	(368,517)	(260,476)	(287,380)
Payments to Suppliers	(349,573)	(287,095)	(107,285)
Interest Paid	(970)	(750)	(719)
Interest Received	7,116	34	2,291
	<u>(82,460)</u>	<u>(147,895)</u>	<u>247,585</u>
Cash flows from Investing Activities			
Purchase of PPE (and Intangibles)	(162,447)	(471)	(45,101)
Purchase of Investments	-	-	(643)
Proceeds from Sale of Investments	67,947	2,748	-
	<u>(94,500)</u>	<u>2,277</u>	<u>(45,744)</u>
Cash flows from Financing Activities			
Furniture and Equipment Grant	25,314	-	-
Finance Lease Payments	(1,532)	687	2,120
Funds Administered on Behalf of Other Parties	(93,916)	(51,433)	5,059
	<u>(70,134)</u>	<u>(50,746)</u>	<u>7,179</u>
	<u>(247,094)</u>	<u>(196,364)</u>	<u>209,020</u>
Cash and cash equivalents at the beginning of the year	7 372,820	372,820	163,800
Cash and cash equivalents at the end of the year	7 <u>125,726</u>	<u>176,456</u>	<u>372,820</u>

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

BIRCHVILLE SCHOOL

Notes to the Financial Statements For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

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.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

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 long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

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.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

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

h) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

i) Property, Plant and Equipment

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

Improvements (funded by the Board) to buildings owned by the Crown 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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

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:

Buildings	5 - 30 years
Furniture & Equipment	5 - 10 years
Information Technology	3 - 5 years
Leased Assets	3 - 5 years
Library resources	12.5% Diminishing value

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

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

Non cash generating assets

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

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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.

k) Accounts Payable

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

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

l) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders 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 also 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.

m) 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 Revenue and Expense. The school holds sufficient funds to enable the funds to be used for their intended purpose at any time.

n) Revenue Received in Advance

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

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

o) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on 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.

BIRCHVILLE SCHOOL

Notes to the Financial Statements For the year ended 31 December 2023

1. Statement of Accounting Policies

p) 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 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.

q) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

r) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

s) Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

2. Government Grants

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Government Grants - Ministry of Education	466,326	475,365	462,511
Other government grants	6,758	-	611
Teachers' salaries grants	787,844	775,000	769,630
Use of Land and Buildings grants	181,320	175,000	152,063
	<u>1,442,248</u>	<u>1,425,365</u>	<u>1,384,815</u>

The School has opted in to the Ministry of Education donations scheme for this year. The total amount received was \$22,502 (2022: \$20,400).

3. Locally Raised Funds

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue			
Fees for Extra Curricular Activities	13,873	5,914	19,031
Donations & Bequests	5	8,100	2,435
Fundraising & Community Grants	143,612	5,000	36,350
Other revenue	2,330	3,500	3,112
Trading	4,123	5,000	4,106
	<u>163,943</u>	<u>27,514</u>	<u>65,034</u>
Expenses			
Extra Curricular Activities Costs	10,075	5,914	17,037
Fundraising and Community Grant Costs	5,353	-	4,002
Trading	4,843	2,500	2,777
	<u>20,271</u>	<u>8,414</u>	<u>23,816</u>
<i>Surplus for the year Locally raised funds</i>	<u>143,672</u>	<u>19,100</u>	<u>41,218</u>

4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	21,652	41,370	27,443
Depreciation	41,496	33,180	39,985
Employee benefits - salaries	1,033,835	920,548	951,659
Information and communication technology	4,368	3,100	5,766
Library resources	2,118	2,400	1,354
Staff development	4,797	6,000	4,352
	<u>1,108,266</u>	<u>1,006,598</u>	<u>1,030,559</u>

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fee	6,521	8,000	6,331
Board of Trustees Expenses	626	1,000	1,311
Board of Trustees Fees	3,255	6,000	4,195
Communication	900	900	825
Consumables	1,979	3,200	1,850
Employee Benefits - Salaries	95,559	94,800	93,101
Insurance	1,281	2,000	3,058
Other	14,322	10,399	8,872
Service Providers, Contractors and Consultancy	8,088	7,200	7,339
	<u>132,531</u>	<u>133,499</u>	<u>126,882</u>

6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	10,343	7,700	9,878
Consultancy and Contract Services	28,720	45,000	18,159
Cyclical Maintenance Provision	24,169	12,200	13,381
Employee Benefits - Salaries	27,872	19,000	17,802
Grounds	313	7,500	721
Heat, Light and Water	20,458	12,000	13,808
Rates	1,926	2,000	1,643
Repairs and Maintenance	18,761	22,000	29,404
Security	2,188	1,000	1,490
Use of Land and Buildings	181,320	175,000	152,063
	<u>316,070</u>	<u>303,400</u>	<u>258,349</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.

BIRCHVILLE SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2023

7. Cash and Cash Equivalents

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash on Hand	200	510	666
Bank Current Account	122,805	166,256	189,808
Bank Call Account	-	9,500	182,154
Savings Account	2,721	190	192
Cash and cash equivalents for Cash Flow Statement	<u>125,726</u>	<u>176,456</u>	<u>372,820</u>

8. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	2,096	-	-
Receivables from the Ministry of Education	21,048	-	-
Interest	7	100	134
Teacher Salaries Grant Receivable	66,927	72,500	84,026
	<u>90,078</u>	<u>72,600</u>	<u>84,160</u>
Receivables from Exchange Transactions	2,103	100	134
Receivables from Non-Exchange Transactions	87,975	72,500	84,026
	<u>90,078</u>	<u>72,600</u>	<u>84,160</u>

9. Investments

The School's investment activities are classified as follows:

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Asset			
Short-term Bank Deposits	-	65,000	67,420
Non-current Asset			
List Company Shares (Vector Limited)	4,360	4,500	4,828
	<u>4,360</u>	<u>69,500</u>	<u>72,248</u>

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Buildings	-	144,892	-	-	(3,019)	141,873
Furniture & Fittings	99,711	15,504	-	-	(21,971)	93,244
Information Technology	26,787	18,437	-	-	(10,458)	34,766
Leased Assets	12,975	4,006	-	-	(5,722)	11,259
Library Resources	2,612	-	-	-	(326)	2,286
Balance at 31 December 2023	142,085	182,839	-	-	(41,496)	283,428

The net carrying value of equipment held under a finance lease is \$11,259 (2022: \$12,975).

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
	\$	\$	\$	\$	\$	\$
Buildings	167,545	(25,672)	141,873	22,653	(22,653)	-
Furniture & Fittings	310,445	(217,201)	93,244	294,940	(195,229)	99,711
Information Technology	180,464	(145,698)	34,766	162,027	(135,240)	26,787
Leased Assets	56,821	(45,562)	11,259	52,815	(39,840)	12,975
Library Resources	4,470	(2,184)	2,286	4,470	(1,858)	2,612
Balance at 31 December	719,745	(436,317)	283,428	536,905	(394,820)	142,085

11. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	15,416	19,083	76,482
Accruals	25,569	4,500	4,831
Banking staffing overuse	-	-	5,941
Employee Entitlements - salaries	66,927	72,500	84,026
Employee Entitlements - leave accrual	3,551	1,520	2,646
	111,463	97,603	173,926
Payables for Exchange Transactions	111,463	97,603	173,926
	111,463	97,603	173,926

The carrying value of payables approximates their fair value.

BIRCHVILLE SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2023

12. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Grants in Advance	-	5,000	102,970
Grants in Advance - Ministry of Education	10,202	-	-
Other revenue in advance	763	-	-
	<u>10,965</u>	<u>5,000</u>	<u>102,970</u>

13. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	47,581	47,581	34,200
Increase to the Provision During the Year	11,275	12,200	13,381
Adjustment to the Provision	12,894	-	-
Use of the Provision During the Year	(15,000)	(20,281)	-
Provision at the End of the Year	<u>56,750</u>	<u>39,500</u>	<u>47,581</u>
Cyclical Maintenance - Current	9,000	9,500	7,875
Cyclical Maintenance - Non Current	47,750	30,000	39,706
	<u>56,750</u>	<u>39,500</u>	<u>47,581</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan.

14. Finance Lease Liability

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	6,691	6,000	6,475
Later than One Year and no Later than Five Years	7,204	10,500	8,952
Future Finance Charges	(1,614)	(2,000)	(1,614)
	<u>12,281</u>	<u>14,500</u>	<u>13,813</u>
Represented by			
Finance Lease Liability - Current	5,774	5,000	5,558
Finance Lease Liability - Non Current	6,507	9,500	8,255
	<u>12,281</u>	<u>14,500</u>	<u>13,813</u>

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

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 under cash and cash equivalents in note 7:

	2023	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution \$	Closing Balances \$
Outdoor Learning Space	<i>Completed</i>	(3,165)	33,385	(59,811)	29,591	-
Fire Alarm Upgrade - Project 218	<i>Completed</i>	(8,842)	8,842	-	-	-
Classroom Upgrade	<i>Completed</i>	22,244	4,964	(27,208)	-	-
Weathertightness Project	<i>In Progress</i>	41,196	-	(53,565)	-	(12,369)
Totals		51,433	47,191	(140,584)	29,591	(12,369)

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Due from the Ministry of Education	(12,369)
	<u>(12,369)</u>

	2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contribution \$	Closing Balances \$
Outdoor Learning Space	<i>In Progress</i>	35,445	-	(38,610)	-	(3,165)
Fire Alarm Upgrade - Project 218	<i>In Progress</i>	739	-	(9,581)	-	(8,842)
Entrance Way	<i>In Progress</i>	4,600	-	(4,600)	-	-
Electrical Switchboard Upgrade	<i>In Progress</i>	12,590	1,280	(13,870)	-	-
Classroom Upgrade	<i>In Progress</i>	(7,000)	150,000	(120,756)	-	22,244
Weathertightness Project	<i>In Progress</i>	-	70,300	(29,104)	-	41,196
Totals		46,374	221,580	(216,521)	-	51,433

Represented by:

Funds Held on Behalf of the Ministry of Education	63,440
Funds Due from the Ministry of Education	(12,007)
	<u>51,433</u>

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 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.

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

17. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
Board Members Remuneration	3,255	4,195
Leadership Team Remuneration	250,198	228,205
Full-time equivalent members	3	2
Total key management personnel remuneration	253,453	232,400
Total full-time equivalent personnel	3	2

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has two Finance members and two Property members that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal(s)

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	140 - 150	130 - 140
Benefits and Other Emoluments	4 - 5	3 - 4

Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	3	1
	3	1

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 trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2023 Actual \$	2022 Actual \$
Total	-	-
Number of People	-	-

BIRCHVILLE SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

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: nil).

Pay Equity Settlement Wash Up

In 2023 the Ministry of Education provided additional funding for both the support staff in School's Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School is yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2023. The Ministry is in the process of determining the amount of the final wash up payment for the year ended 31 December 2023. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The School has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2024.

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

At 31 December 2023, the Board had capital commitments of \$102,244 (2022: \$54,427) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Weathertightness	102,244	82,669	19,575
Total	102,244	82,669	19,575

(b) Operating Commitments

As at 31 December 2023 the Board has no operating commitments (2022: nil).

BIRCHVILLE SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2023

21. Financial Instruments

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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	125,726	176,456	372,820
Receivables	90,078	72,600	84,160
Investments - Term Deposits	-	65,000	67,420
Total Financial assets measured at amortised cost	<u>215,804</u>	<u>314,056</u>	<u>524,400</u>
Financial liabilities measured at amortised cost			
Payables	111,463	97,603	173,926
Finance Leases	12,281	14,500	13,813
Total Financial Liabilities Measured at Amortised Cost	<u>123,744</u>	<u>112,103</u>	<u>187,739</u>

22. Events After Balance Date

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

BIRCHVILLE SCHOOL

Members of the Board

For the year ended 31 December 2023

Name	Position	How position on Board gained	Occupation	Term expired/expires
Jess Athukorala	Presiding Member	Re-elected August 2022	Teacher	May 2025
Robyn Brown	Principal	Appointed September 2017	Principal	
Amit Kakroo	Parent Rep	Elected August 2022	IT Consultant	May 2025
Justin McLeary	Parent Rep	Elected August 2022	Army Officer	May 2025
Marie Vanderweg	Parent Rep	Elected August 2022	Project Manager	May 2025
Kathryn Wilson	Parent Rep	Elected August 2022	NZ Police	May 2025
Jarod Summers	Staff Rep	Re-elected August 2022	Teacher	May 2025
Kelly Salter	Secretary		Office Manager	June 2023

BIRCHVILLE SCHOOL

Kiwisport / Statement of Compliance with Employment Policy For the year ended 31 December 2023

Kiwisport is a Government funding initiative to support student participation in organised sport.

In 2023 the School received funding of \$1,904 (2022: \$2,196).

The funding was used to support the school wide sports programme and provide educational activities outside the classroom.

The Kiwisport funding did not cover all the above expenses, so the balance was subsidised by the Board through the bulk grant.

Statement of Compliance with Employment Policy

For the year ended 31 December 2023 the Birchville School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspect 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 contract of all staff employed by the Board.
- Ensures all employees and applicants for employments are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.