



Ko Te Kōrero Karoro
**South
New Brighton
School**

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number:	3508
Principal:	Charles Robert Norrish
School Address:	160 Estuary Road, South New Brighton, Christchurch
School Phone:	(03) 388 9426
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Accountant / Service Provider:

89 Nazareth Avenue
Christchurch
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SOUTH NEW BRIGHTON SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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South New Brighton School

Members of the Board

For the year ended 31 December 2023

Name	Position	How Position Gained	Term Expired/ Expires
Anna King	Presiding Member	Elected Sep 2022	Sep 2025
Kallysa Hollis	Parent Representative	Elected Sep 2022	Sep 2025
Donna Dimond	Parent Representative	Elected Sep 2022	Sep 2025
Jeremy Famuina	Parent Representative	Elected Sep 2022	Sep 2025
Kim Grooby	Parent Representative	Elected Sep 2022	Sep 2025
Karen Ward	Staff Representative	Elected Sep 2022	Sep 2025



South New Brighton 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.

Anna King

Kate McClelland

Full Name of Presiding Member

Full Name of Principal

Signed by:

Anna King

CC80DAF2FADE1363

Signature of Presiding Member

27/05/2024

Date:

Signed by:

Kate McClelland

F6020B7E364E4C08

Signature of Principal

27/05/2024

Date:



South New Brighton 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	4,007,559	3,469,005	3,751,419
Locally Raised Funds	3	85,450	50,705	234,225
Interest		58,183	27,000	24,158
Total Revenue		4,151,192	3,546,710	4,009,802
Expense				
Locally Raised Funds	3	41,059	24,705	28,631
Learning Resources	4	3,375,129	2,897,635	2,849,407
Administration	5	320,849	217,446	252,920
Interest		5,680	4,253	3,495
Property	6	704,280	585,054	622,672
Loss on Disposal of Property, Plant and Equipment		1,389	-	754
Total Expense		4,448,386	3,729,093	3,757,879
Net Surplus / (Deficit) for the year		(297,194)	(182,383)	251,923
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(297,194)	(182,383)	251,923



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



South New Brighton School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January		<u>1,702,391</u>	<u>1,702,392</u>	<u>1,450,468</u>
Total comprehensive revenue and expense for the year		(297,194)	(182,383)	251,923
Contributions from / (Distributions to) the Ministry of Education		-	-	-
Contribution - Furniture and Equipment Grant		-	-	-
Equity at 31 December		<u>1,405,197</u>	<u>1,520,009</u>	<u>1,702,391</u>
Accumulated comprehensive revenue and expense		1,405,197	1,520,009	1,702,391
Reserves		-	-	-
Equity at 31 December		<u>1,405,197</u>	<u>1,520,009</u>	<u>1,702,391</u>



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.



South New Brighton School Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	7	348,938	218,570	378,054
Accounts Receivable	8	207,945	210,336	238,569
GST Receivable		9,733	8,501	-
Prepayments		16,708	7,336	7,336
Investments	8	899,559	920,000	921,185
		<u>1,482,883</u>	<u>1,364,743</u>	<u>1,545,144</u>
Current Liabilities				
GST Payable		-	-	1,529
Accounts Payable	10	332,620	237,563	236,442
Revenue Received in Advance	11	131,486	-	22,516
Finance Lease Liability	12	36,843	36,843	26,385
Funds held for Capital Works Projects	13	5,435	-	8,481
		<u>506,384</u>	<u>274,406</u>	<u>295,353</u>
Working Capital Surplus/(Deficit)		976,499	1,090,337	1,249,791
Non-current Assets				
Investments	8	2,000	2,000	2,000
Property, Plant and Equipment	9	481,304	482,278	479,084
		<u>483,304</u>	<u>484,278</u>	<u>481,084</u>
Non-current Liabilities				
Finance Lease Liability	12	54,606	54,606	28,484
		<u>54,606</u>	<u>54,606</u>	<u>28,484</u>
Net Assets		<u>1,405,197</u>	<u>1,520,009</u>	<u>1,702,391</u>
Equity		<u>1,405,197</u>	<u>1,520,009</u>	<u>1,702,391</u>



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



South New Brighton 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		1,085,109	807,672	1,073,891
Locally Raised Funds		88,278	28,189	79,506
Goods and Services Tax (net)		(11,262)	(10,029)	10,067
Payments to Employees		(600,211)	(372,620)	(448,828)
Payments to Suppliers		(582,651)	(571,628)	(589,032)
Interest Paid		(5,680)	(4,253)	(3,495)
Interest Received		55,417	27,000	18,328
Net cash from/(to) Operating Activities		29,000	(95,669)	140,437
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		86	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(37,924)	(29,700)	(33,673)
Purchase of Investments		-	-	(10,727)
Proceeds from Sale of Investments		21,626	1,185	-
Net cash from/(to) Investing Activities		(16,212)	(28,515)	(44,400)
Cash flows from Financing Activities				
Finance Lease Payments		(38,858)	(26,820)	(30,540)
Funds Administered on Behalf of Other Parties		(3,046)	(8,481)	-
Net cash from/(to) Financing Activities		(41,904)	(35,301)	(30,540)
Net increase/(decrease) in cash and cash equivalents		(29,116)	(159,485)	65,497
Cash and cash equivalents at the beginning of the year	7	378,054	378,054	312,557
Cash and cash equivalents at the end of the year	7	348,938	218,569	378,054

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.



South New Brighton School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

South New Brighton 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 11.

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 9.





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 12. Future operating lease commitments are disclosed in note 17.

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) Investments

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

i) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

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	40 years
Board Owned Buildings	40 years
Furniture and equipment	10 years
Information and communication technology	3–5 years
Motor vehicles	5-10 years
Textbooks	10 years
Leased assets held under a Finance Lease	As per lease
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 surplus or deficit.

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

k) Accounts Payable

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

l) Employee Entitlements

Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned, by non teaching staff, but not yet taken at balance date.

Long-term employee entitlements

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

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

m) Revenue Received in Advance

Revenue received in advance relates to fees received from fund raising and parent payments 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.

n) Funds held for Capital works

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

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

o) Provision for Cyclical Maintenance

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

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

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

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.

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





q) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

r) Budget Figures

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

x) Services received in-kind

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



2. Government Grants

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Government Grants - Ministry of Education	1,005,116	753,992	1,099,667
Teachers' Salaries Grants	2,489,352	2,308,548	2,241,309
Use of Land and Buildings Grants	481,675	381,465	381,465
Other Government Grants	31,416	25,000	28,978
	4,007,559	3,469,005	3,751,419

The school has opted in to the donations scheme for this year. Total amount received was \$71,666.

3. Locally Raised Funds

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

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations & Bequests	25,304	15,000	178,129
Fees for Extra Curricular Activities	21,430	15,000	17,950
Trading	5,620	3,500	11,809
Fundraising & Community Grants	28,972	12,205	15,559
Other Revenue	4,124	5,000	10,778
	85,450	50,705	234,225
Expense			
Extra Curricular Activities Costs	31,534	15,500	16,223
Trading	2,176	-	3,807
Fundraising and Community Grant Costs	7,349	9,205	8,601
	41,059	24,705	28,631
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	44,391	26,000	205,594

4. Learning Resources

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	141,187	194,452	150,659
Information and Communication Technology	21,438	21,400	20,605
Library Resources	510	1,000	616
Employee Benefits - Salaries	3,073,488	2,549,977	2,557,129
Staff Development	26,839	40,900	31,859
Depreciation	111,667	89,906	88,539
	3,375,129	2,897,635	2,849,407





5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Audit Fees	6,064	6,064	5,775
Board Fees	6,300	4,500	5,200
Board Expenses	12,402	9,000	26,740
Intervention Costs & Expenses	85,550	-	-
Communication	2,838	3,100	3,012
Consumables	10,348	14,000	13,146
Operating Leases	2,693	364	6,574
Other	57,656	49,418	53,691
Employee Benefits - Salaries	136,998	131,000	138,782
	320,849	217,446	252,920

6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Caretaking and Cleaning Consumables	270	1,100	999
Consultancy and Contract Services	160,000	160,000	160,000
Grounds	2,824	-	16,196
Heat, Light and Water	38,549	26,543	41,917
Rates	6,690	6,300	5,953
Repairs and Maintenance	14,251	9,146	15,486
Use of Land and Buildings	481,675	381,465	381,465
Employee Benefits - Salaries	21	500	656
	704,280	585,054	622,672

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

7. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Bank Accounts	338,938	218,570	378,054
Short-term Bank Deposits	10,000	-	-
Cash and cash equivalents for Statement of Cash Flows	348,938	218,570	378,054

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

Of the \$348,938 Cash and Cash Equivalents, \$5,435 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings.

Of the \$348,938 Cash and Cash Equivalents, \$26,039 unspent funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.



8. Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Receivables	5,358	4,663	4,663
Receivables from the Ministry of Education	-	-	33,979
Interest Receivable	11,159	8,393	8,393
Teacher Salaries Grant Receivable	191,428	197,280	191,534
	<u>207,945</u>	<u>210,336</u>	<u>238,569</u>
Receivables from Exchange Transactions	16,517	13,056	13,056
Receivables from Non-Exchange Transactions	191,428	197,280	225,513
	<u>207,945</u>	<u>210,336</u>	<u>238,569</u>

8. Investments

The School's investment activities are classified as follows:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	899,559	920,000	921,185
Non-current Asset			
Shares held in Canterbury Education Services Society Ltd	2,000	2,000	2,000
Total Investments	<u>901,559</u>	<u>922,000</u>	<u>923,185</u>

9. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building Improvements	28,707				(3,309)	25,398
Furniture and Equipment	344,307	23,077			(51,041)	316,343
Information and Communication Technology	34,962	13,174			(15,863)	32,273
Leased Assets	53,420	76,363	(925)		(38,968)	89,890
Library Resources	17,688	2,447	(249)		(2,486)	17,400
Balance at 31 December 2023	<u>479,084</u>	<u>115,061</u>	<u>(1,174)</u>	<u>-</u>	<u>(111,667)</u>	<u>481,304</u>

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	1,117	(1,117)	-	1,117	(1,117)	-
Building Improvements	51,335	(25,937)	25,398	51,335	(22,628)	28,707
Furniture and Equipment	796,498	(480,155)	316,343	773,620	(429,313)	344,307
Information and Communication Technology	120,718	(88,445)	32,273	107,545	(72,583)	34,962
Leased Assets	132,719	(42,829)	89,890	143,202	(89,782)	53,420
Library Resources	104,182	(86,782)	17,400	103,190	(85,502)	17,688
Balance at 31 December 2023	1,206,569	(725,265)	481,304	1,180,009	(700,925)	479,084

10. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	3,250	22,975	22,975
Accruals	6,714	6,714	6,350
Banking Staffing Overuse	123,034	-	5,299
Employee Entitlements - Salaries	191,428	197,280	191,533
Employee Entitlements - Leave Accrual	8,194	10,594	10,285
	332,620	237,563	236,442
Payables for Exchange Transactions	332,620	237,563	236,442
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	332,620	237,563	236,442

The carrying value of payables approximates their fair value.

11. Revenue Received in Advance

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	105,447	-	-
Other revenue in Advance	26,039	-	22,516
	131,486	-	22,516





12. 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	42,245	42,245	26,385
Later than One Year and no Later than Five Years	60,969	60,969	34,480
Future Finance Charges	(11,765)	(11,765)	(5,996)
	<u>91,449</u>	<u>91,449</u>	<u>54,869</u>
Represented by			
Finance lease liability - Current	36,843	36,843	26,385
Finance lease liability - Non current	54,606	54,606	28,484
	<u>91,449</u>	<u>91,449</u>	<u>54,869</u>

13. 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 9.

	2023	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Moving Project		8,481	-	(3,046)	-	5,435
Totals		<u>8,481</u>	<u>-</u>	<u>(3,046)</u>	<u>-</u>	<u>5,435</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	5,435
Funds Receivable from the Ministry of Education	-

	2022	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Moving Project		8,481	-	-	-	8,481
Totals		<u>8,481</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,481</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	8,481
Funds Receivable from the Ministry of Education	-

14. 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.



15. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i> Remuneration	6,300	5,200
<i>Leadership Team</i> Remuneration	403,096	381,527
Full-time equivalent members	4	3
Total key management personnel remuneration	<u>409,396</u>	<u>386,727</u>

There are 6 members of the Board excluding the Principal. The Board had held 12 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair 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 1

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	160 - 170	150 - 160
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

Principal 2

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	60 - 70	-
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	7.00	3.00
110-120	1.00	0.00
120-130	1.00	0.00
	<u>9.00</u>	<u>3.00</u>

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





16. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

Pay equity settlement wash-up amounts

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

Cyclical Maintenance Provision

The school has an obligation to the Ministry of Education to maintain in good order and repair the land and buildings that constitute the School site. The Board has not recorded a provision for the cyclical maintenance arising from this obligation which is a departure from PBE IPSAS 19: Provisions, contingent assets and contingent liabilities. The financial effect of the departure from PBE IPSAS 19 has not been calculated.

17. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$10,035.0 (2022:\$8,481) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Moving Project	10,035	4,600	5,435
Total	10,035	4,600	5,435

(b) Operating Commitments

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



18. 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	348,938	218,570	378,054
Receivables	207,945	210,336	238,569
Investments - Term Deposits	899,559	920,000	921,185
Investment - Shares	2,000	2,000	2,000
Total financial assets measured at amortised cost	<u>1,458,442</u>	<u>1,350,906</u>	<u>1,539,808</u>

Financial liabilities measured at amortised cost

Payables	332,620	237,563	236,442
Finance Leases	91,449	91,449	54,869
Total financial liabilities measured at amortised cost	<u>424,069</u>	<u>329,012</u>	<u>291,311</u>

19. Events After Balance Date

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

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF SOUTH NEW BRIGHTON SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of South New Brighton School (the School). The Auditor-General has appointed me, Warren Johnstone, using the staff and resources of BDO Christchurch, to carry out the audit of the financial statements of the School on his behalf.

We have audited the financial statements of the School on pages 3 to 19, that comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

Qualified opinion

In our opinion, except for the matter described in the Basis for our qualified opinion section of our report, the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2023; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 27 May 2024. This is the date at which our opinion is expressed.

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

Basis for our qualified opinion - provision for cyclical maintenance

The School has an obligation to the Ministry of Education to keep the land and buildings in good order and repair. However, the Board has not recorded a provision for cyclical maintenance. This is a departure from PBE IPSAS 19: Provisions, contingent assets and contingent liabilities, which requires a provision to be recorded where there is a present obligation that will need to be settled and this can be reliably estimated. The board has not calculated the financial effect of this departure from PBE IPSAS 19.

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Statement of Responsibility, Presiding Members Report, Members of the Board Listing, Statement of Variance, Kiwisport Funding Report, Report on how the school has given effect to Te Tiriti o Waitangi, Evaluation of the School's Students' Progress and Achievement and the Statement of Compliance with Employment Policy, but does not include the financial statements, and our auditor's report thereon.

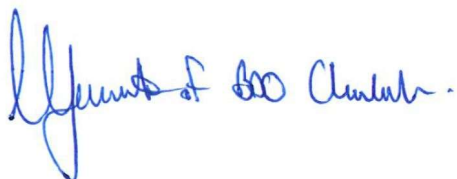
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Warren Johnstone,
BDO Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand



Ko Te Kōrero Karoro
South New Brighton School
Riding the Wave of Learning Together

Statement of Variance

Due to the school being in limited statutory management in 2023 and changes of principal and leadership team, I cannot find reliable information that would summarise the school's progress towards raising achievement in any targeted areas.

Evaluation of the School's Progress and Achievement

As above, due to the school being in statutory management in 2023, I am unable to find reliable data that demonstrates how the students have achieved and made progress for the 2023. This is also supported by ERO (Education Review Office) and we are now a high-priority school, working alongside ERO for 2024, under new leadership.



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Kiwi Sport Funding Report 2023:

Kiwi Sport is a Government funding initiative to support students' participation in organised sport. In 2023, the school received a total Kiwi Sport funding of \$6782.96 (excl GST)

The funding was spent on the following:

- Sports facilitator
- Swimming tuition
- Bus transportation for sporting activities

The number of students that participated in organised sport was 457

Kate McClelland
Principal
South New Brighton School



Ko Te Kōrero Karoro
South New Brighton School
Riding the Wave of Learning Together

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

Reporting on the principles of being a Good Employer	
How have you met your obligations to provide good and safe working conditions?	<p><i>South New Brighton School board acts as a good employer and takes all reasonable steps to build working relationships based on trust, confidence, and good faith. The board treats employees fairly and properly in all aspects of their employment as required by the Public Service Act 2020, and complies with legislation on employment and personnel matters. The board complies with the conditions contained in employment contracts for teaching and non-teaching staff.</i></p> <p><i>The board:</i></p> <ul style="list-style-type: none">• <i>takes all steps, so far as is reasonably practicable, to meet its primary duty of care obligations to ensure good and safe working conditions for employees and responds to all reasonable concerns and requests made by employees</i>• <i>considers staff health and wellbeing (hauora) and work-life balance, and will consider applications for flexible working arrangements</i>• <i>ensures that all employees maintain proper standards of integrity and conduct, and a concern for the safety and wellbeing of students, colleagues, and public interest</i>• <i>promotes high levels of staff performance through:</i><ul style="list-style-type: none">• <i>performance management and professional development (including budgeting for training and development programmes intended to enhance the abilities of individual employees)</i>• <i>acknowledgement of staff achievements</i>• <i>salary units and classroom release time.</i>• <i>deals effectively and fairly with any concerns through the concerns and complaints and protected disclosure procedures.</i>

<p>What is in your equal employment opportunities programme?</p> <p>How have you been fulfilling this programme?</p>	<p>To help implement our EEO policy, we have a programme to identify processes that contribute to employment inequality. We work to change these processes and promote equal employment opportunities for individuals and groups of people. Our EEO policy and programme is available to all South New Brighton School staff.</p> <p>Our EEO programme includes:</p> <ul style="list-style-type: none"> • developing a policy statement and establishing objectives • appointing an EEO representative • consulting with staff to hear any concerns • creating an employee database (with informed consent for any EEO data collected) • encouraging staff to participate in training and career development • programme monitoring through staff meetings and board reports • reviewing employment and personnel policies and processes. <p>South New Brighton School aims to raise awareness of discrimination and bias through our EEO programme. We support staff to discuss the development and implementation of the programme, and raise any concerns with the principal or board.</p>
<p>How do you practise impartial selection of suitably qualified persons for appointment?</p>	<p>South New Brighton School is an equal opportunities employer. We appoint appropriately trained and qualified staff to all teaching and non-teaching positions, and strive to find the best person for each position. We uphold our commitment to te Tiriti o Waitangi through our vision and strategic plan to reflect tikanga Māori.</p> <p>Our appointment process meets the requirements of the Children's Act 2014.</p> <p>The board always manages the recruitment and appointment of a principal. For other vacancies, the board delegates the recruitment and appointment process to the principal and senior management but may also be represented on the appointment committee.</p> <p>We maintain transparency and fairness as important principles for any appointment, especially those involving related party transactions.</p>

How have you enhanced the abilities of individual employees?	<ul style="list-style-type: none"> • Professional learning and training • Support and mentoring programmes • Professional Growth Cycle and appraisal programmes • Training for specific skills i.e restraint training
How are you recognising the employment requirements of women?	<ul style="list-style-type: none"> • Have consideration of those who are parents and providing supports in place of those who need it
How are you recognising the employment requirements of persons with disabilities?	<ul style="list-style-type: none"> • Have consideration of those with disabilities and providing supports of those who need it

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

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



Ko Te Kōrero Karoro
South New Brighton School
Riding the Wave of Learning Together

How South New Brighton School Gives Effect to Te Tiriti o Waitangi

South New Brighton School gives effect to Te Tiriti o Waitangi by:

- Working to ensure that its plans, policies, and local curriculum reflect local tikanga Māori, mātauranga Māori and te ao Māori. We have given particular emphasis on our local stories and practices in the South New Brighton and Waitaha (Canterbury) area
- Taking all reasonable steps to make instruction available in te reo Māori and tikanga Māori. This is supported by two cultural leads on our staff who support staff professional learning in te reo and tikanga Māori, thus growing capacity in the staff. Staff are also encouraged to participate in Te Ahu i Te Reo language learning.
- Providing cultural opportunities for all students to participate in kapa haka and taiaha programmes
- Proactively engaging with Māori whānau in authentic ways
- Students, including Māori students, who are at risk regarding achievement are clearly identified and action plans to support and accelerate learning are formulated alongside whānau
- Our school board activity discusses learning and achievement for all Māori students
- Achieving equitable outcomes for Māori students by;
 - creating a whānau style feel island sense of connectedness
 - staff actively challenge their own beliefs and bias
 - perceiving Māori cultural identities and Māori cultural knowledge as normal, valid, and legitimate
 - teachers have high expectations of all students
 - whānau and school work closely together
 - Align goals and aspirations of the learners, alongside whānau