



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

School Directory

Ministry Number: 350

Principal: Vicki McIntyre

School Address: 141 Rue Jolie, Akaroa, 7520

School Phone: 03 304 7108

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Accountant / Service Provider:

Solutions & Services
Collaborative School Administration

AKAROA AREA SCHOOL

Annual Financial Statements - For the year ended 31 December 2024

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Akaroa Area School

Statement of Responsibility

For the year ended 31 December 2024

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 2024 fairly reflects the financial position and operations of the School.

The School's 2024 financial statements are authorised for issue by the Board.

Charlotte Louise Osborne
Full Name of Presiding Member

CL Osborne
Signature of Presiding Member

21/5/2025
Date:

Dicki Maree McIntyre
Full Name of Principal

D. McIntyre
Signature of Principal

21/5/2025
Date:

Akaroa Area School

Members of the Board

For the year ended 31 December 2024

Name	Position	How Position Gained	Term Expired/ Expires
Charlotte Osborne	Presiding Member	Elected	2025
Vicki McIntyre	Principal	ex Officio	
Mike Linton	Parent Representative	Elected	2025
Sandi Stewart	Parent Representative		2025
Emma Masefield	Parent Representative		2025
Andy Thin	Parent Representative	Elected	2025
Tilly Davies	Student Representative	Elected	2024
Josh Crew	Student Representative	Elected	2025
Deb Lean	Staff Representative	Elected	Dec 2024
Matt Thomas	Parent Representative	Elected	May 2024
Hilda Rhodes	Parent Representative	Elected	Jan 2024

Akaroa Area School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2024

		2024	2024	2023
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	2,991,079	2,733,318	2,711,345
Locally Raised Funds	3	202,402	150,973	215,508
Interest		40,239	30,000	35,899
Total Revenue		3,233,720	2,914,291	2,962,752
Expense				
Locally Raised Funds	3	20,112	23,150	21,446
Learning Resources	4	2,226,503	2,082,653	1,985,288
Administration	5	308,316	282,550	271,998
Interest		2,390	-	1,667
Property	6	781,450	733,352	702,104
Loss on Disposal of Property, Plant and Equipment		-	-	68
Total Expense		3,338,771	3,121,705	2,982,571
Net (Deficit) for the year		(105,051)	(207,414)	(19,819)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(105,051)	(207,414)	(19,819)

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



Akaroa Area School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2024

	Notes	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Equity at 1 January		2,748,210	2,748,210	3,085,722
Total comprehensive revenue and expense for the year		(105,051)	(207,414)	(19,819)
Distributions to Ministry of Education	17	-	-	(346,601)
Contribution - Furniture and Equipment Grant		9,152	-	17,455
Contribution - Te Mana Tūhono		-	-	11,453
Equity at 31 December		2,652,311	2,540,796	2,748,210
Accumulated comprehensive revenue and expense		2,652,311	2,540,796	2,748,210
Equity at 31 December		2,652,311	2,540,796	2,748,210

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.



Akaroa Area School

Statement of Financial Position

As at 31 December 2024

		2024	2024	2023
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	280,190	57,155	126,665
Accounts Receivable	8	193,085	140,413	140,413
GST Receivable		9,119	83	83
Prepayments		29,493	23,851	23,851
Inventories	9	3,874	3,614	3,614
Investments	10	355,575	457,195	607,195
		871,336	682,311	901,821
Current Liabilities				
Accounts Payable	12	229,456	180,515	180,515
Revenue Received in Advance	13	10,703	10,742	10,742
Provision for Cyclical Maintenance	14	30,288	87,129	78,922
Finance Lease Liability	15	14,321	9,002	9,002
Funds held in Trust	16	13,438	11,121	11,121
Funds Held on Behalf of the BP Learning Cluster	18	24,943	25,098	25,098
		323,149	323,607	315,400
Working Capital Surplus		548,187	358,704	586,421
Non-current Assets				
Property, Plant and Equipment	11	2,206,412	2,235,511	2,203,282
		2,206,412	2,235,511	2,203,282
Non-current Liabilities				
Provision for Cyclical Maintenance	14	90,236	44,533	32,607
Finance Lease Liability	15	12,052	8,886	8,886
		102,288	53,419	41,493
Net Assets		2,652,311	2,540,796	2,748,210
Equity		2,652,311	2,540,796	2,748,210

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



Akaroa Area School

Statement of Cash Flows

For the year ended 31 December 2024

		2024	2024	2023
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		693,005	623,450	607,718
Locally Raised Funds		207,223	150,973	195,947
Goods and Services Tax (net)		(9,036)	-	9,463
Payments to Employees		(507,698)	(440,950)	(352,806)
Payments to Suppliers		(403,624)	(438,483)	(381,873)
Interest Paid		(2,390)	-	(1,667)
Interest Received		41,972	30,000	36,133
Net cash from/(to) Operating Activities		19,452	(75,010)	112,915
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(105,818)	(144,500)	(84,304)
Purchase of Investments		-	-	(10,739)
Proceeds from Sale of Investments		251,620	150,000	-
Net cash from/(to) Investing Activities		145,802	5,500	(95,043)
Cash flows from Financing Activities				
Furniture and Equipment Grant		9,152	-	17,455
Finance Lease Payments		(8,473)	-	(6,327)
Funds Administered on Behalf of Other Parties		(12,408)	-	(302)
Net cash (to)/from Financing Activities		(11,729)	-	10,826
Net increase/(decrease) in cash and cash equivalents		153,525	(69,510)	28,698
Cash and cash equivalents at the beginning of the year	7	126,665	126,665	97,967
Cash and cash equivalents at the end of the year	7	280,190	57,155	126,665

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.



Akaroa Area School

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

1.1. Reporting Entity

Akaroa Area 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.

1.2. Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2024 to 31 December 2024 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 \$33 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical Maintenance

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



Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

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

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.

1.3. 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 to which they relate. 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 to which they relate. 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 recognised as 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.

1.4. 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.

1.5. 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.

1.6. 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.

1.7. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The school's 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.

1.8. Inventories

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

1.9. 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.

1.10. Property, Plant and Equipment

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

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

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

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



Finance Leases

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

Depreciation

Property, plant and equipment are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements	15–40 years
Furniture and equipment	5–15 years
Information and communication technology hardware	4–5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease

1.11. Impairment of property, plant and equipment

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

Non cash generating assets

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

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information.

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

1.12. 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.



1.13. Employee Entitlements

Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned by non teaching staff, 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 Statement of Comprehensive Revenue and Expense in the period in which they arise.

1.14. Revenue Received in Advance

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

1.15. Funds Held in Trust

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

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

1.16. 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.

1.17. Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

1.18. 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 of the School, makes up the most significant part of the Board's responsibilities outside the 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 variety of periods in accordance with the conditional assessment of each area of the school. 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.



1.19. 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.

1.20. 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.

1.21. Budget Figures

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

1.22. 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

Government Grants - Ministry of Education
Teachers' Salaries Grants
Use of Land and Buildings Grants
Other Government Grants

2024	2024	2023
Actual	Budget	Actual
\$	(Unaudited)	\$
686,746	609,300	585,839
1,743,003	1,630,679	1,630,680
544,904	479,189	479,189
16,426	14,150	15,637
2,991,079	2,733,318	2,711,345

3. Locally Raised Funds

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

Revenue

Donations and Bequests
Fees for Extra Curricular Activities
Trading
Fundraising and Community Grants
Other Revenue

2024	2024	2023
Actual	Budget	Actual
\$	(Unaudited)	\$
36,700	24,273	24,208
10,926	15,500	11,772
2,393	2,100	1,767
43,208	19,250	56,167
109,175	89,850	121,594
202,402	150,973	215,508

Expenses

Extra Curricular Activities Costs
Trading
Fundraising and Community Grant Costs
International Student - Other Expenses

11,267	14,700	10,230
2,055	2,100	2,482
5,248	3,350	8,734
1,542	3,000	-
20,112	23,150	21,446

Surplus for the year Locally raised funds

182,290	127,823	194,062
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4. Learning Resources

Curricular
Information and Communication Technology
Employee Benefits - Salaries
Staff Development
Other Learning Resources
Depreciation

2024	2024	2023
Actual	Budget	Actual
\$	(Unaudited)	\$
118,775	112,633	107,780
13,764	16,500	11,361
1,916,234	1,768,379	1,715,281
50,343	60,370	36,679
-	4,000	3,916
127,387	120,771	110,271
2,226,503	2,082,653	1,985,288

5. Administration

Audit Fees
Board Fees and Expenses
Intervention Costs
Legal Fees
Other Administration Expenses
Employee Benefits - Salaries
Insurance
Service Providers, Contractors and Consultancy

2024	2024	2023
Actual	Budget	Actual
\$	(Unaudited)	\$
11,132	9,000	6,856
5,550	18,000	10,116
-	-	21,157
2,600	5,000	-
23,031	30,200	29,337
237,256	198,250	190,052
9,982	9,700	9,360
18,765	12,400	5,120
308,316	282,550	271,998



6. Property

	2024	2024 Budget	2023
	Actual	(Unaudited)	Actual
	\$	\$	\$
Cyclical Maintenance	22,366	20,133	20,128
Adjustment to the Provision- Other Adjustments	(13,371)	-	-
Heat, Light and Water	26,328	25,850	22,913
Rates	20,501	20,700	19,461
Repairs and Maintenance	50,904	49,980	40,604
Use of Land and Buildings	544,904	479,189	479,189
Other Property Expenses	29,532	32,500	31,521
Employee Benefits - Salaries	100,286	105,000	88,288
	<u>781,450</u>	<u>733,352</u>	<u>702,104</u>

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

7. Cash and Cash Equivalents

	2024	2024 Budget	2023
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Accounts	280,190	36,110	105,620
Short-term Bank Deposits	-	21,045	21,045
	<u>280,190</u>	<u>57,155</u>	<u>126,665</u>

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

Of the \$280,190 Cash and Cash Equivalents, \$24,943 is held by the School on behalf of the BP Learning cluster. See note 18 for details of how the funding received for the cluster has been spent in the year.

Of the \$280,190 Cash and Cash Equivalents, \$10,703 of Other Revenue in Advance is held by the School, as disclosed in note 13.

Of the \$280,190 Cash and Cash Equivalents, \$13,438 of Funds Held in Trust is held by the School, as disclosed in note 16.

8. Accounts Receivable

	2024	2024 Budget	2023
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	1,342	3,248	3,248
Receivables from the Ministry of Education	23,784	8,077	8,077
Interest Receivable	3,775	5,508	5,508
Teacher Salaries Grant Receivable	164,184	123,580	123,580
	<u>193,085</u>	<u>140,413</u>	<u>140,413</u>
Receivables from Exchange Transactions	1,342	3,248	3,248
Receivables from Non-Exchange Transactions	191,743	137,165	137,165
	<u>193,085</u>	<u>140,413</u>	<u>140,413</u>

9. Inventories

	2024	2024 Budget	2023
	Actual	(Unaudited)	Actual
	\$	\$	\$
School Uniforms	3,874	3,614	3,614
	<u>3,874</u>	<u>3,614</u>	<u>3,614</u>

10. Investments

The School's investment activities are classified as follows:

	2024	2024 Budget	2023
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	355,575	457,195	607,195
	<u>355,575</u>	<u>457,195</u>	<u>607,195</u>



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2024	\$	\$	\$	\$	\$	\$
Land	549,200	-	-	-	-	549,200
Building Improvements	1,437,723	-	-	-	(68,422)	1,369,301
Furniture and Equipment	174,992	47,521	-	-	(26,027)	196,486
Information and Communication Technology	24,168	16,559	-	-	(11,765)	28,962
Motor Vehicles	-	44,810	-	-	(8,215)	36,595
Leased Assets	17,199	21,627	-	-	(12,958)	25,868
Balance at 31 December 2024	2,203,282	130,517	-	-	(127,387)	2,206,412

The net carrying value of equipment held under a finance lease is \$25,868 (2023: \$17,199)

Restrictions

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

	2024 Cost or Valuation	2024 Accumulated Depreciation	2024 Net Book Value	2023 Cost or Valuation	2023 Accumulated Depreciation	2023 Net Book Value
	\$	\$	\$	\$	\$	\$
Land	549,200	-	549,200	549,200	-	549,200
Building Improvements	2,333,918	(964,617)	1,369,301	2,333,918	(896,195)	1,437,723
Furniture and Equipment	602,838	(406,352)	196,486	555,317	(380,325)	174,992
Information and Communication Technology	129,978	(101,016)	28,962	113,419	(89,251)	24,168
Motor Vehicles	110,145	(73,550)	36,595	65,336	(65,336)	-
Leased Assets	49,600	(23,732)	25,868	33,334	(16,135)	17,199
Balance at 31 December	3,775,679	(1,569,267)	2,206,412	3,650,524	(1,447,242)	2,203,282

In September 2023 the Ministry of Education approved the transfer of ownership of the school library back to the Ministry. This is recorded as a distribution of equity and a corresponding reduction in the school's fixed asset value of \$346,601. This will provide significant benefits to the school in the reduction of on-going costs.

12. Accounts Payable

	2024 Actual	2024 Budget (Unaudited)	2023 Actual
	\$	\$	\$
Creditors	26,006	23,090	23,090
Accruals	10,132	6,856	6,856
Employee Entitlements - Salaries	185,798	143,526	143,526
Employee Entitlements - Leave Accrual	7,520	7,043	7,043
	229,456	180,515	180,515
Payables for Exchange Transactions	229,456	180,515	180,515
	229,456	180,515	180,515

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2024 Actual	2024 Budget (Unaudited)	2023 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	-	2,954	2,954
Other Revenue in Advance	10,703	7,788	7,788
	10,703	10,742	10,742



14. Provision for Cyclical Maintenance

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Provision at the Start of the Year	111,529	111,529	91,401
Increase to the Provision During the Year	22,366	20,133	20,128
Other Adjustments	(13,371)	-	-
	<u>120,524</u>	<u>131,662</u>	<u>111,529</u>
Provision at the End of the Year	30,288	87,129	78,922
Cyclical Maintenance - Current	90,236	44,533	32,607
Cyclical Maintenance - Non current	<u>120,524</u>	<u>131,662</u>	<u>111,529</u>

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

15. Finance Lease Liability

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

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
No Later than One Year	16,380	10,056	10,056
Later than One Year	13,063	9,346	9,346
Future Finance Charges	(3,070)	(1,514)	(1,514)
	<u>26,373</u>	<u>17,888</u>	<u>17,888</u>
Represented by:			
Finance lease liability - Current	14,321	9,002	9,002
Finance lease liability - Non current	<u>12,052</u>	<u>8,886</u>	<u>8,886</u>
	<u>26,373</u>	<u>17,888</u>	<u>17,888</u>

16. Funds Held in Trust

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	13,438	11,121	11,121
	<u>13,438</u>	<u>11,121</u>	<u>11,121</u>

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

17. Funds Held for Capital Works Projects

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

2024	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Matariki Landscaping Project - 202842	-	8,951	(8,951)	-	-
Replacement of Heat Pump in Blk 2 - 248981	-	14,571	(14,571)	-	-
Totals	-	<u>23,522</u>	<u>(23,522)</u>	-	-
2023	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
SIP Grant - 225181	-	1,639	(1,639)	-	-
Learning Support Room - 235053	-	43,907	(43,907)	-	-
Totals	-	<u>45,546</u>	<u>(45,546)</u>	-	-



18. Funds Held on Behalf of the BP Learning Cluster

Akaroa Area School is the lead school and holds funds on behalf of the BP Learning cluster, a group of schools funded by the Ministry of Education to share professional development.

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Funds Held at Beginning of the Year	25,098	25,098	26,279
Funds Spent on Behalf of the Cluster	(155)	-	(1,181)
Funds Held at Year End	24,943	25,098	25,098

19. Related Party Transactions

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

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

20. Remuneration

Key management personnel compensation

Key management personnel of the School includes all Board members, Principal, and Deputy Principals.

	2024 Actual \$	2023 Actual \$
<i>Board Members</i>		
Remuneration	3,150	3,425
<i>Leadership Team</i>		
Remuneration	430,563	356,895
Full-time equivalent members	3.00	2.50
Total key management personnel remuneration	433,713	360,320

There are 6 members of the Board excluding the Principal. The Board held 9 full meetings of the Board in the year. As well as these meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions and other disciplinary matters.

Principal

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

	2024 Actual \$000	2023 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160 - 170	70 - 80
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2024 FTE Number	2023 FTE Number
100 - 110	3.00	2.00
110 - 120	-	1.00
120 - 130	1.00	1.00
130 - 140	-	1.00
140 - 150	1.00	-
	5.00	5.00

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



21. Compensation and Other Benefits Upon Leaving

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

	2024 Actual	2023 Actual
Total	\$ -	\$ -
Number of People	-	-

22. Contingencies

There are no contingent liabilities and no contingent assets except as noted below as at 31 December 2024 (Contingent liabilities and assets at 31 December 2023: 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 2024 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. At the date of signing the financial statements the School's final entitlement for the year ended 31 December 2024 has not yet been advised. The School has therefore not recognised an asset or a liability regarding this funding wash-up, which is expected to be settled in July 2025.

23. Commitments

(a) Capital Commitments

At 31 December 2024, the Board had no capital commitments (2023:\$44,091).

(b) Operating Commitments

As at 31 December 2024 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2023: nil)

24. Financial Instruments

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

Financial assets measured at amortised cost

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Cash and Cash Equivalents	280,190	57,155	126,665
Receivables	193,085	140,413	140,413
Investments - Term Deposits	355,575	457,195	607,195
Total Financial assets measured at amortised cost	828,850	654,763	874,273

Financial liabilities measured at amortised cost

Payables	229,456	180,515	180,515
Finance Leases	26,373	17,888	17,888
Total Financial liabilities measured at amortised Cost	255,829	198,403	198,403

25. Events After Balance Date

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

26. Comparatives

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



INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF AKAROA AREA SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Auditor-General is the auditor of Akaroa Area School (the School). The Auditor-General has appointed me, Jane Jackman, using the staff and resources of Nexia Audit Christchurch, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 3 to 18, that comprise the statement of financial position as at 31 December 2024, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2024; 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 21 May 2025. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

2024 Akaroa Area School - Kiwi Sport Expenditure

Kiwi Sport is a government funded initiative to support students participation in organised sport.

During 2024, the school received total Kiwi Sport funding of \$2,597.14

The funding was spent on:

\$859.27	Transport Costs incl. Fuel
\$261.11	Sports Equipment
\$313.04	Selwyn Sports Canterbury
\$59.13	Canterbury West Coast Sports Trust
\$206.09	Primary Sports Canterbury
\$341.00	School Sport Canterbury Levies
\$40.00	Canterbury Golf
\$90.00	School Sport Canterbury Athletics
\$60.00	School Sport NZ
\$86.96	Hurunui College Barbarians Camp
\$511.27	Administration & Supplies
\$93.91	Food

\$2,921.78 Total
