

OKAINS BAY SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number:	3452
Principal:	Colin Hammond
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OKAINS BAY SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Okains Bay 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.

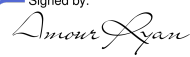
The management, including the Principal and others as directed by the Board, accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the School's financial reporting.

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.

Amour Ryan

Full Name of Presiding Member

Signed by:

4E3C624F8338953E

Signature of Presiding Member

30/05/2024

Date:

Colin Hammond

Full Name of Principal

Signed by:

E0561E85AAB96A8F

Signature of Principal

30/05/2024

Date:

Okains Bay School

Members of the Board

For the year ended 31 December 2023

Name	Position	How Position Gained	Term Expired/ Expires
Amour Ryan	Presiding Member	Elected	Sep 2025
Colin Hammond	Principal ex Officio		
Luis Thacker	Parent Representative	Elected	Sep 2025
Lisa Denton-Jones	Staff Representative	Elected	Sep 2025
Will Knapp	Parent Representative	Co -opted	Sep 2025

Okains Bay School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	390,072	339,250	335,110
Locally Raised Funds	3	25,480	21,050	38,492
Interest		5,084	750	1,635
Total Revenue		420,636	361,050	375,237
Expenses				
Locally Raised Funds	3	8,283	7,900	9,186
Learning Resources	4	253,235	221,278	231,434
Administration	5	57,621	51,067	60,780
Interest		295	-	374
Property	6	119,703	95,074	92,965
Loss on Disposal of Property, Plant and Equipment		250	-	23
Total Expense		439,387	375,319	394,762
Net (Deficit) for the year		(18,751)	(14,269)	(19,525)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(18,751)	(14,269)	(19,525)

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

Okains Bay 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		183,291	183,291	201,213
Total comprehensive revenue and expense for the year		(18,751)	(14,269)	(19,525)
Contribution - Furniture and Equipment Grant		3,286	-	1,603
Equity at 31 December		167,826	169,022	183,291
Accumulated comprehensive revenue and expense		167,826	169,022	183,291
Equity at 31 December		167,826	169,022	183,291

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.

Okains Bay School

Statement of Financial Position

As at 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	46,516	15,462	-
Accounts Receivable	8	14,765	25,932	25,932
Prepayments		4,572	3,325	3,325
Inventories	9	1,200	791	791
Investments	10	20,400	51,200	71,200
Funds Receivable for Capital Works Projects	16	-	7,846	7,846
		87,453	104,556	109,094
Current Liabilities				
Cash and Cash Equivalents - Overdraft	7	-	-	1,269
GST Payable		4,178	363	363
Accounts Payable	12	24,270	32,565	32,565
Revenue Received in Advance	13	1,433	518	518
Provision for Cyclical Maintenance	14	875	-	-
Finance Lease Liability	15	1,477	1,829	1,829
Funds held for Capital Works Projects	16	1,303	3,254	3,254
		33,536	38,529	39,798
Working Capital Surplus		53,917	66,027	69,296
Non-current Assets				
Property, Plant and Equipment	11	129,049	105,644	116,644
		129,049	105,644	116,644
Non-current Liabilities				
Provision for Cyclical Maintenance	14	13,968	-	-
Finance Lease Liability	15	1,172	2,649	2,649
		15,140	2,649	2,649
Net Assets		167,826	169,022	183,291
Equity		167,826	169,022	183,291

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

Okains Bay School

Statement of Cash Flows

For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		142,181	125,606	124,103
Locally Raised Funds		33,165	21,050	31,086
Goods and Services Tax (net)		3,815	-	(2,924)
Payments to Employees		(86,349)	(57,181)	(88,045)
Payments to Suppliers		(81,166)	(93,494)	(92,166)
Interest Paid		(295)	-	-
Interest Received		4,552	750	1,075
Net cash from/(to) Operating Activities		15,903	(3,269)	(26,871)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(26,803)	-	(7,861)
Proceeds from Sale of Investments		50,800	20,000	10,962
Net cash from Investing Activities		23,997	20,000	3,101
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,286	-	1,603
Finance Lease Payments		(1,296)	-	(1,591)
Funds Administered on Behalf of Other Parties		5,895	-	(20,644)
Net cash from/(to) Financing Activities		7,885	-	(20,632)
Net increase/(decrease) in cash and cash equivalents		47,785	16,731	(44,402)
Cash and cash equivalents at the beginning of the year	7	(1,269)	(1,269)	43,133
Cash and cash equivalents at the end of the year	7	46,516	15,462	(1,269)

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.

Okains Bay School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

1.1. Reporting Entity

Okains Bay 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 2023 to 31 December 2023 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 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 21b.

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

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, 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	40-50 years
Furniture and equipment	5-10 years
Information and communication technology	4-5 years
Textbooks	12.5% Diminishing value
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.11. 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 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 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 surplus or deficit 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.

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.

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. Financial Instruments

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

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

The School's financial liabilities comprise accounts payable 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.

1.18. 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.

1.19. Budget Figures

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

1.20. 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	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	126,379	113,635	131,299
Teachers' Salaries Grants	163,361	139,718	127,314
Use of Land and Buildings Grants	79,620	65,897	69,496
Healthy Lunches Grants	20,712	20,000	7,001
	<u>390,072</u>	<u>339,250</u>	<u>335,110</u>

The School has opted in to the donations scheme for this year. Total amount received was \$1,695 (2022: \$1,950).

3. Locally Raised Funds

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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	5,301	3,500	2,250
Fees for Extra Curricular Activities	130	500	908
Trading	478	350	396
Fundraising & Community Grants	602	5,400	7,318
Other Revenue	18,969	11,300	27,620
	<u>25,480</u>	<u>21,050</u>	<u>38,492</u>
Expenses			
Extra Curricular Activities Costs	3,325	1,500	5,105
Trading	357	250	1,120
Fundraising & Community Grant Costs	295	250	-
Other Locally Raised Funds Expenditure	4,306	5,900	2,961
	<u>8,283</u>	<u>7,900</u>	<u>9,186</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>17,197</u>	<u>13,150</u>	<u>29,306</u>

4. Learning Resources

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	7,236	13,150	8,127
Information and Communication Technology	713	3,900	2,223
Library Resources	-	250	-
Employee Benefits - Salaries	224,471	185,728	202,893
Staff Development	6,667	6,700	4,737
Depreciation	14,148	11,550	13,454
	<u>253,235</u>	<u>221,278</u>	<u>231,434</u>

5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,961	5,434	4,725
Board Fees	2,745	2,655	2,225
Board Expenses	2,061	3,250	3,214
Communication	743	920	843
Consumables	890	880	298
Operating Lease	846	2,000	711
Legal Fees	-	200	-
Healthy Lunches	24,648	20,000	14,918
Other	788	720	19,098
Employee Benefits - Salaries	15,400	11,200	9,206
Insurance	130	400	128
Service Providers, Contractors and Consultancy	4,409	3,408	5,414
	<u>57,621</u>	<u>51,067</u>	<u>60,780</u>

6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	591	1,000	330
Consultancy and Contract Services	3,638	5,000	5,687
Cyclical Maintenance	14,843	-	-
Grounds	1,431	4,500	1,647
Heat, Light and Water	6,767	4,927	4,653
Repairs and Maintenance	2,168	5,750	2,741
Use of Land and Buildings	79,620	65,897	69,496
Employee Benefits - Salaries	10,645	8,000	8,411
	<u>119,703</u>	<u>95,074</u>	<u>92,965</u>

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

7. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	15,360	15,462	-
Short-term Bank Deposits	31,156	-	-
Bank Overdraft	-	-	(1,269)
Cash and Cash Equivalents for Statement of Cash Flows	<u>46,516</u>	<u>15,462</u>	<u>(1,269)</u>

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

Of the \$46,516 Cash and Cash Equivalents and \$71,200 Investments, \$4,557 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 \$46,516 Cash and Cash Equivalents, \$487 of unspent grant 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	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	430	7,687	7,687
Receivables from the Ministry of Education	-	3,590	3,590
Interest Receivable	1,302	770	770
Teacher Salaries Grant Receivable	13,033	13,885	13,885
	<u>14,765</u>	<u>25,932</u>	<u>25,932</u>
Receivables from Exchange Transactions	1,732	8,457	8,457
Receivables from Non-Exchange Transactions	13,033	17,475	17,475
	<u>14,765</u>	<u>25,932</u>	<u>25,932</u>

9. Inventories

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	1,200	791	791
	<u>1,200</u>	<u>791</u>	<u>791</u>

10. Investments

The School's investment activities are classified as follows:

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	20,400	51,200	71,200
Total Investments	<u>20,400</u>	<u>51,200</u>	<u>71,200</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building Improvements	76,472	20,048	-	-	(2,401)	94,119
Furniture and Equipment	20,027	1,078	-	-	(4,977)	16,128
Information and Communication Technology	12,266	5,165	-	-	(4,455)	12,976
Textbooks	37	-	-	-	(5)	32
Leased Assets	4,494	-	-	-	(1,859)	2,635
Library Resources	3,348	512	(250)	-	(451)	3,159
Balance at 31 December 2023	116,644	26,803	(250)	-	(14,148)	129,049

The net carrying value of equipment held under a finance lease is \$2,635 (2022: \$4,494)

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.

	2023 Cost or Valuation	2023 Accumulated Depreciation	2023 Net Book Value	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	133,694	(39,575)	94,119	113,646	(37,174)	76,472
Furniture and Equipment	72,534	(56,406)	16,128	71,456	(51,429)	20,027
Information and Communication Technology	40,463	(27,487)	12,976	35,299	(23,033)	12,266
Textbooks	429	(397)	32	430	(393)	37
Leased Assets	11,731	(9,096)	2,635	12,812	(8,318)	4,494
Library Resources	13,222	(10,063)	3,159	13,734	(10,386)	3,348
Balance at 31 December	272,073	(143,024)	129,049	247,377	(130,733)	116,644

12. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	5,715	5,646	5,646
Accruals	3,361	3,225	3,225
Banking Staffing Overuse	-	8,029	8,029
Employee Entitlements - Salaries	14,524	15,239	15,239
Employee Entitlements - Leave Accrual	670	426	426
	24,270	32,565	32,565
Payables for Exchange Transactions	24,270	32,565	32,565
	24,270	32,565	32,565

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	487	-	-
Other Revenue in Advance	946	518	518
	1,433	518	518

14. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Increase to the Provision During the Year	14,843	-	-
Provision at the End of the Year	14,843	-	-
Cyclical Maintenance - Current	875	-	-
Cyclical Maintenance - Non current	13,968	-	-
	14,843	-	-

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 was prepared by a Ministry approved expert.

15. Finance Lease Liability

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	1,631	2,119	2,119
Later than One Year and no Later than Five Years	1,219	2,850	2,850
Future Finance Charges	(201)	(491)	(491)
	2,649	4,478	4,478
Represented by:			
Finance lease liability - Current	1,477	1,829	1,829
Finance lease liability - Non current	1,172	2,649	2,649
	2,649	4,478	4,478

16. 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.

2023	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
MOE Project Pool Upgrade - 2344398	3,254	-	(3,254)	-	-
MOE Project Septic Tank Upgrade - 232573	(7,846)	11,273	(2,494)	-	933
MOE 5 YA - 244963	-	5,022	(4,652)	-	370
Totals	(4,592)	16,295	(10,400)	-	1,303

Represented by:

Funds Held on Behalf of the Ministry of Education 1,303

2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
MOE Project Pool Upgrade - 2344398	16,052	2,393	(15,191)	-	3,254
MOE Project Septic Tank Upgrade - 232573	-	-	(7,846)	-	(7,846)
Totals	16,052	2,393	(23,037)	-	(4,592)

Represented by:

Funds Held on Behalf of the Ministry of Education	3,254
Funds Receivable from the Ministry of Education	(7,846)

17. 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.

18. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board and Principal

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	2,745	2,225
<i>Leadership Team</i>		
Remuneration	129,953	121,472
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	132,698	123,697

There are 4 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance and Property members that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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	120 - 130	110-120
Benefits and Other Emoluments	3 - 4	3-4
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	2023 FTE Number	2022 FTE Number
100 - 110	-	-
	-	-

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

19. Compensation and Other Benefits Upon Leaving

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

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

20. Contingencies

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

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.

21. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$4,557 (2022:\$3,254) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
MOE Project Pool Upgarde - 2344398	18,445	15,191	3,254
MOE Project Septic Tank Upgrade - 232573	11,273	10,340	933
MOE 5 YA - 244963	5,022	4,652	370
Total	34,740	30,183	4,557

(b) Operating Commitments

As at 31 December 2023 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2022: nil)

22. 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	46,516	15,462	(1,269)
Receivables	14,765	25,932	25,932
Investments - Term Deposits	20,400	51,200	71,200
Total Financial assets measured at amortised cost	81,681	92,594	95,863

Financial liabilities measured at amortised cost

Payables	24,270	32,565	32,565
Finance Leases	2,649	4,478	4,478
Total Financial liabilities measured at amortised Cost	26,919	37,043	37,043

23. Events After Balance Date

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

24. Comparatives

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

Date: 30/05/2024

Amy Goodman
BDO Christchurch
Level 4, 287/293 Durham Street North,
Christchurch Central
CHRISTCHURCH 8013

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2023

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of Okains Bay School (the School) for the year ended 31 December 2023 for the purpose of expressing an independent opinion about whether the financial statements:

- present fairly, in all material respects:
 - the financial position as at 31 December 2023; and
 - the 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 (PBE) Standards Reduced Disclosure Regime.

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

General representations

To the best of our knowledge and belief:

- the resources, activities, under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is, we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud or error, and which enables the preparation of the financial statements that are free from material misstatement whether due to fraud or error (*a requirement of paragraph NZ40.1(a) in ISA (NZ) 240*).

Representations for the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- We have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 134 of the Education and Training Act 2020 and, in particular, that the financial statements:
 - present fairly, in all material respects:
 - the financial position as at 31 December 2023; and
 - the 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 (PBE) Standards Reduced Disclosure Regime.
- we believe the methods, significant assumptions, and data used in making and supporting the accounting estimates and the related disclosures in the financial statements are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter at appendix 1;

- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime.

Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
 - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with the financial statements, and the other information does not contain any material misstatements.

Going concern basis of accounting

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2023. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from the date of signing the financial statements, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, that we can reasonably be expected to be aware of concerning the adoption of the going concern basis of accounting by the School.

Publication of the financial statements and related audit report on a website

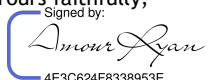
We confirm that we are responsible for the electronic presentation of the audited financial statements, and:

- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.
- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully,

Signed by:



4E3C624F8338953E

Presiding Member

Signed by:



F0561E85AAB96A8E

Principal


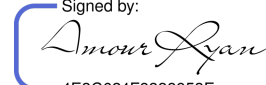
Appendix 1 - Uncorrected misstatements

There are no uncorrected misstatements.



Certificate of completion

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Envelope Id	315e3b88921f4dd281942981443fad51	Sender	Charles Francia
Envelope name	OKA 01 Kiwi Park Annuals 2023 - FINAL.pdf	Business	BDO Christchurch Audit Limited
Sent	30 May 2024, 09:16:32 am (GMT+10:00)	Email	Charles.Francia@bdo.co.nz
Completed	05 Jun 2024, 12:32:37 pm (GMT+10:00)	Number	
Number of documents	2 (Two)	Address	
Number of pages	23 (Twenty-three)	Website	
Number of recipients	2 (Two)		
Recipient Id	c5b176678ac04d818f52b5414e1e87de	Sent	30 May 2024, 09:16:33 am (GMT+10:00)
Recipient name	Colin Hammond	Viewed	30 May 2024, 09:48:45 am (GMT+10:00)
Email address	principal@okainsbay.school.nz	Signed	30 May 2024, 09:49:13 am (GMT+10:00)
Authenticated by	Email	Completed	30 May 2024, 09:49:14 am (GMT+10:00)
Session Id	4929ecf9cd0d4368bff2e30812f4ead1	Signature	<div>Signed by:  E0561E85AAB96A8F</div>
Fingerprint	f2402effb6e4e02adb499d0b759f3f93		
IP Address	210.55.146.138		
User agent	Mozilla/5.0 (Macintosh; Intel Mac OS X 10_15_7) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/125.0.0.0 Safari/537.36		
Recipient Id	98e10587c299444390eba6d4fbad31e1	Sent	30 May 2024, 09:16:33 am (GMT+10:00)
Recipient name	Amour Ryan	Viewed	05 Jun 2024, 12:31:28 pm (GMT+10:00)
Email address	boardchair@okainsbay.school.nz	Signed	05 Jun 2024, 12:32:35 pm (GMT+10:00)
Authenticated by	Email	Completed	05 Jun 2024, 12:32:37 pm (GMT+10:00)
Session Id	55e61b2194de46f6b7117ed4fa121b55	Signature	<div>Signed by:  4E3C624F8338953E</div>
Fingerprint	26ae359993d223ebb2f4908afda8a32f		
IP Address	163.47.167.11		
User agent	Mozilla/5.0 (Linux; Android 10; K) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/125.0.0.0 Mobile Safari/537.36		

Audit log

30 May 2024, 09:15:26 am The envelope has been created by Charles Francia.

30 May 2024, 09:16:28 am The envelope has been sent by Charles Francia.

30 May 2024, 09:16:34 am Amour Ryan (boardchair@okainsbay.school.nz) has been emailed a copy of the envelope to complete.

30 May 2024, 09:16:34 am Colin Hammond (principal@okainsbay.school.nz) has been emailed a copy of the envelope to complete.

30 May 2024, 09:48:45 am Colin Hammond (principal@okainsbay.school.nz) has opened and viewed the envelope.

30 May 2024, 09:49:13 am Colin Hammond (principal@okainsbay.school.nz) has completed the envelope.

05 Jun 2024, 11:45:57 am Amour Ryan (boardchair@okainsbay.school.nz) has been emailed a copy of the envelope to complete.

05 Jun 2024, 12:30:48 pm Colin Hammond (principal@okainsbay.school.nz) has opened and viewed the envelope.

05 Jun 2024, 12:31:28 pm Amour Ryan (boardchair@okainsbay.school.nz) has opened and viewed the envelope.

05 Jun 2024, 12:32:35 pm Amour Ryan (boardchair@okainsbay.school.nz) has completed the envelope.

05 Jun 2024, 12:32:37 pm The envelope has been viewed and completed by all recipients.