

OAMARU INTERMEDIATE



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 3784
Principal: Rebecca Meek
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Accountant / Service Provider:

Solutions & Services
Collaborative School Administration

OAMARU INTERMEDIATE

Annual Financial Statements - For the year ended 31 December 2023

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Oamaru Intermediate

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.

Benjamin Stratford

Full Name of Presiding Member

Signed by:

AC24310D01040130

Signature of Presiding Member

22/05/2024

Date:

Rebecca Meek

Full Name of Principal

Signed by:

5DB9C47FB4218522

Signature of Principal

21/05/2024

Date:

Oamaru Intermediate Members of the Board

For the year ended 31 December 2023

Name	Position	How Position Gained	Term Expired/ Expires
Ben Stratford	Presiding Member	Co-opted	Sep 2025
Rebecca Meek	Principal	ex Officio	
Tessa Fifita	Parent Representative	Elected	Sep 2025
Jane Taafaki	Parent Representative	Elected	Nov 2026
Damian Brown	Parent Representative	Elected	Nov 2026
Ian Cathcart	Parent Representative	Elected	Sep 2025
Isabelle Raukete	Staff Representative	Elected	Sep 2025

Oamaru Intermediate

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	4,101,141	3,755,008	3,752,519
Locally Raised Funds	3	190,386	124,360	127,902
Interest		35,219	4,500	7,418
Total Revenue		4,326,746	3,883,868	3,887,839
Expenses				
Locally Raised Funds	3	100,626	95,450	84,944
Learning Resources	4	2,460,005	2,396,177	2,434,107
Administration	5	607,641	605,622	594,496
Interest		4,027	-	2,909
Property	6	903,022	672,831	644,541
Other Expenses	7	4,069	4,000	7,028
Loss on Disposal of Property, Plant and Equipment		2,693	-	343
Total Expense		4,082,083	3,774,080	3,768,368
Net Surplus for the year		244,663	109,788	119,471
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		244,663	109,788	119,471

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

Oamaru Intermediate

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		1,108,025	1,108,025	969,054
Total comprehensive revenue and expense for the year		244,663	109,788	119,471
Contribution - Furniture and Equipment Grant		3,750	-	19,500
(Distributions to) Ministry of Education - Admin Block	16	(197,108)	(200,000)	-
Equity at 31 December		1,159,330	1,017,813	1,108,025
Accumulated comprehensive revenue and expense		1,159,330	1,017,813	1,108,025
Equity at 31 December		1,159,330	1,017,813	1,108,025

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.

Oamaru Intermediate Statement of Financial Position

As at 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	791,715	611,106	744,379
Accounts Receivable	9	213,868	280,861	280,861
GST Receivable		5,580	40,296	40,296
Prepayments		21,175	23,511	23,511
Investments	10	105,000	105,000	105,000
Funds Receivable for Capital Works Projects	16	-	20,030	20,030
		<u>1,137,338</u>	<u>1,080,804</u>	<u>1,214,077</u>
Current Liabilities				
Accounts Payable	12	233,285	312,217	312,217
Revenue Received in Advance	13	8,853	2,322	2,322
Provision for Cyclical Maintenance	14	8,987	-	30,926
Finance Lease Liability	15	21,525	18,921	18,921
Funds held for Capital Works Projects	16	42,243	60,905	60,905
		<u>314,893</u>	<u>394,365</u>	<u>425,291</u>
Working Capital Surplus		822,445	686,439	788,786
Non-current Assets				
Property, Plant and Equipment	11	390,623	393,110	372,410
		<u>390,623</u>	<u>393,110</u>	<u>372,410</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	34,660	25,002	16,437
Finance Lease Liability	15	19,078	36,734	36,734
		<u>53,738</u>	<u>61,736</u>	<u>53,171</u>
Net Assets		<u>1,159,330</u>	<u>1,017,813</u>	<u>1,108,025</u>
Equity		<u>1,159,330</u>	<u>1,017,813</u>	<u>1,108,025</u>

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

Oamaru Intermediate

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		1,073,183	965,008	872,396
Locally Raised Funds		186,019	124,360	136,932
Goods and Services Tax (net)		34,716	-	(25,280)
Payments to Employees		(499,721)	(466,600)	(456,867)
Payments to Suppliers		(459,983)	(445,026)	(402,036)
Interest Paid		(4,027)	-	-
Interest Received		33,615	4,500	8,003
Net cash from Operating Activities		363,802	182,242	133,148
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(99,633)	(90,700)	(34,457)
Proceeds from Sale of Investments		-	-	48
Net cash (to) Investing Activities		(99,633)	(90,700)	(34,409)
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,750	-	19,500
(Distributions to) Ministry of Education - Admin Block		(197,108)	(200,000)	-
Finance Lease Payments		(13,674)	-	(11,397)
Painting Contract Payments		-	(24,815)	(5,350)
Funds Administered on Behalf of Other Parties		(9,801)	-	18,340
Net cash (to)/from Financing Activities		(216,833)	(224,815)	21,093
Net increase/(decrease) in cash and cash equivalents		47,336	(133,273)	119,832
Cash and cash equivalents at the beginning of the year	8	744,379	744,379	624,547
Cash and cash equivalents at the end of the year	8	791,715	611,106	744,379

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.

Oamaru Intermediate

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

1.1. Reporting Entity

Oamaru Intermediate (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.

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 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. 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.

1.9. 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	20-40 years
Furniture and equipment	3-10 years
Information and communication technology	2-5 years
Motor vehicles	5-10 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.10. 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 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.

1.11. 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.

1.12. 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.

1.13. 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.

1.14. 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.

1.15. 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.

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

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

1.16. Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets 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.

1.17. 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.

1.18. Budget Figures

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

1.19. Services received in-kind

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

2. Government Grants

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Government Grants - Ministry of Education	970,130	879,258	872,776
Teachers' Salaries Grants	2,097,279	2,033,250	2,086,838
Use of Land and Buildings Grants	579,436	405,000	405,335
Healthy Lunches Grants	383,426	385,000	384,981
Other Government Grants	70,870	52,500	2,589
	<u>4,101,141</u>	<u>3,755,008</u>	<u>3,752,519</u>

The School has opted in to the donations scheme for this year. Total amount received was \$49,164 (2022: \$52,350).

3. Locally Raised Funds

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue			
Donations & Bequests	23,755	22,500	12,806
Fees for Extra Curricular Activities	51,244	62,800	51,265
Trading	5,874	5,300	6,041
Fundraising & Community Grants	78,035	500	26,029
Other Revenue	31,478	33,260	31,761
	<u>190,386</u>	<u>124,360</u>	<u>127,902</u>
Expenses			
Extra Curricular Activities Costs	76,852	79,550	68,331
Trading	5,054	5,300	4,712
Fundraising & Community Grant Costs	9,412	600	6,240
Other Locally Raised Funds Expenditure	9,308	10,000	5,661
	<u>100,626</u>	<u>95,450</u>	<u>84,944</u>
<i>Surplus for the year Locally raised funds</i>	<u>89,760</u>	<u>28,910</u>	<u>42,958</u>

4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	92,472	91,277	70,216
Information and Communication Technology	11,494	10,900	22,961
Library Resources	6,063	200	1,634
Employee Benefits - Salaries	2,250,974	2,197,300	2,250,972
Staff Development	15,272	26,500	17,708
Depreciation	83,730	70,000	70,616
	<u>2,460,005</u>	<u>2,396,177</u>	<u>2,434,107</u>

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fee	5,407	5,407	5,250
Board Fees	3,130	4,000	3,820
Board Expenses	5,894	2,750	4,319
Communication	8,587	5,460	5,362
Consumables	6,829	6,100	5,061
Operating Lease	7,239	25,360	11,982
Healthy Lunches Expenses	383,426	385,000	384,981
Other	13,817	14,800	12,760
Employee Benefits - Salaries	157,323	141,300	146,416
Insurance	9,776	9,400	9,610
Service Providers, Contractors and Consultancy	6,213	6,045	4,935
	<u>607,641</u>	<u>605,622</u>	<u>594,496</u>

6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	8,462	9,300	8,483
Cyclical Maintenance	29,876	11,231	10,659
Grounds	26,204	26,200	27,486
Heat, Light and Water	41,112	43,500	33,132
Rates	3,794	4,500	3,850
Repairs and Maintenance	38,720	37,300	24,963
Use of Land and Buildings	579,436	405,000	405,335
Security	10,549	7,800	9,007
Employee Benefits - Salaries	164,869	128,000	121,626
	<u>903,022</u>	<u>672,831</u>	<u>644,541</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. Other Expenses

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Transport	4,069	4,000	7,028
	<u>4,069</u>	<u>4,000</u>	<u>7,028</u>

8. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	791,715	611,106	744,379
Cash and Cash Equivalents for Statement of Cash Flows	<u>791,715</u>	<u>611,106</u>	<u>744,379</u>

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

Of the \$791,715 Cash and Cash Equivalents, \$42,243 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 \$791,715 Cash and Cash Equivalents, \$4,865 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.

9. Accounts Receivable

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	6,070	37	37
Receivables from the Ministry of Education	-	76,641	76,641
Interest Receivable	2,004	400	400
Banking Staffing Underuse	35,000	33,250	33,250
Teacher Salaries Grant Receivable	170,794	170,533	170,533
	<u>213,868</u>	<u>280,861</u>	<u>280,861</u>
Receivables from Exchange Transactions	8,074	437	437
Receivables from Non-Exchange Transactions	205,794	280,424	280,424
	<u>213,868</u>	<u>280,861</u>	<u>280,861</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	105,000	105,000	105,000
Total Investments	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2023						
Building Improvements	171,351	-	(815)	-	(16,438)	154,098
Furniture and Equipment	62,239	62,581	-	-	(14,379)	110,441
Information and Communication Technology	47,405	36,548	(1,048)	-	(26,216)	56,689
Motor Vehicles	28,156	-	-	-	(4,905)	23,251
Leased Assets	56,282	5,003	-	-	(20,961)	40,324
Library Resources	6,977	503	(829)	-	(831)	5,820
Balance at 31 December 2023	372,410	104,635	(2,692)	-	(83,730)	390,623

The net carrying value of equipment held under a finance lease is \$40,324 (2022: \$56,282)

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	646,686	(492,588)	154,098	648,407	(477,056)	171,351
Furniture and Equipment	411,821	(301,380)	110,441	390,253	(328,014)	62,239
Information and Communication Technology	190,115	(133,426)	56,689	165,286	(117,881)	47,405
Motor Vehicles	75,942	(52,691)	23,251	75,942	(47,786)	28,156
Leased Assets	71,107	(30,783)	40,324	70,467	(14,185)	56,282
Library Resources	55,956	(50,136)	5,820	62,932	(55,955)	6,977
Balance at 31 December	1,451,627	(1,061,004)	390,623	1,413,287	(1,040,877)	372,410

12. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	17,672	98,981	98,981
Accruals	5,407	5,250	5,250
Employee Entitlements - Salaries	189,344	195,342	195,342
Employee Entitlements - Leave Accrual	20,862	12,644	12,644
	233,285	312,217	312,217
Payables for Exchange Transactions	233,285	312,217	312,217
	233,285	312,217	312,217

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	4,865	-	-
Other Revenue in Advance	3,988	2,322	2,322
	8,853	2,322	2,322

14. Provision for Cyclical Maintenance

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	47,363	47,363	54,392
Increase to the Provision During the Year	13,585	11,231	11,231
Other Adjustments	16,291	-	(572)
Use of the Provision During the Year	(33,592)	(33,592)	(17,688)
Provision at the End of the Year	43,647	25,002	47,363
Cyclical Maintenance - Current	8,987	-	30,926
Cyclical Maintenance - Non current	34,660	25,002	16,437
	43,647	25,002	47,363

The School's cyclical maintenance schedule details annual painting. 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:

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	24,006	22,653	22,653
Later than One Year and no Later than Five Years	20,674	40,388	40,388
Future Finance Charges	(4,077)	(7,386)	(7,386)
	40,603	55,655	55,655
Finance lease liability - Current	21,525	18,921	18,921
Finance lease liability - Non current	19,078	36,734	36,734
	40,603	55,655	55,655

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 8.

2023	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Admin Blk - 220492	(3,326)	94,617	(288,399)	197,108	-
HWC Leak Damage - 233666	(10,242)	13,742	(3,500)	-	-
Water Leak (Jan 2022) -229355	(6,462)	-	(3,013)	9,475	-
Roofing - 232694	19,115	-	-	-	19,115
Block 4 Upgrade -232696	41,790	-	(18,662)	-	23,128
Totals	40,875	108,359	(313,574)	206,583	42,243

Represented by:

Funds Held on Behalf of the Ministry of Education	42,243
Funds Receivable from the Ministry of Education	-

The School contributed \$197,108 to the Ministry's administration block upgrade project. This contribution was funded from historical reserves and is considered to significantly benefit the School and its community by the improvement of School buildings.

2022	Opening Balances	Receipts from MoE	Payments		Closing Balances
	\$	\$	\$	\$	\$
Admin Blk - 220492	57,013	256,102	(316,441)	-	(3,326)
HWC Leak Damage - 233666	-	-	(10,242)	-	(10,242)
Water Leak (Jan 2022) -229355	-	-	(6,462)	-	(6,462)
Roofing - 232694	-	19,115	-	-	19,115
Block 4 Upgrade -232696	-	47,530	(5,740)	-	41,790
Totals	57,013	322,747	(338,885)	-	40,875

Represented by:

Funds Held on Behalf of the Ministry of Education	60,905
Funds Receivable from the Ministry of Education	(20,030)



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, Principal, Deputy and Assistant Principals.

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	3,130	3,820
<i>Leadership Team</i>		
Remuneration	376,559	350,296
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	379,689	354,116

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has 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	150 - 160	140-150
Benefits and Other Emoluments	1 - 10	1-10
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	3.00	4.00
110 -120	2.00	-
120 - 130	1.00	-
	6.00	4.00

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 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:

	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 school 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 \$42,243 (2022:\$60,905) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Roofing - 232694	19,115		19,115
Block 4 Upgrade -232696	47,530	24,402	23,128
Total	66,645	24,402	42,243

(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	791,715	611,106	744,379
Receivables	213,868	280,861	280,861
Investments - Term Deposits	105,000	105,000	105,000
Total Financial assets measured at amortised cost	<u>1,110,583</u>	<u>996,967</u>	<u>1,130,240</u>

Financial liabilities measured at amortised cost

Payables	233,285	312,217	312,217
Finance Leases	40,603	55,655	55,655
Total Financial liabilities measured at amortised Cost	<u>273,888</u>	<u>367,872</u>	<u>367,872</u>

23. Events After Balance Date

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

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF OAMARU INTERMEDIATE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Oamaru Intermediate (the School). The Auditor-General has appointed me, Aaron Higham, using the staff and resources of BDO Invercargill, 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 17, that comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 22 May 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw your attention to other matters. 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.

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises The Statement of Responsibility, Members of the Board, Statement of Variance, Evaluation and analysis of the School's students' progress and achievement, How we have given effect to Te Tiriti o Waitangi, Statement of Compliance with employment policy and Statement of Kiwisport funding, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Aaron Higham
BDO Invercargill
On behalf of the Auditor-General
Invercargill, New Zealand