

RERE SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 2664

Principal: Claudine Okwara

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Accountant / Service Provider: Eclypse Solutions 4 Schools Limited



RERE SCHOOL

Financial Statements - For the year ended 31 December 2023

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Rere 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.

Casey Manie Aroha Maddeek

Full Name of Presiding Member

[Signature]

Signature of Presiding Member

20/05/2024

Date:

*Helda Claudine
Susan Okwara*

Full Name of Principal

[Signature]

Signature of Principal

20/05/2024

Date:

Rere School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue				
Government Grants	2	617,908	525,856	545,217
Locally Raised Funds	3	32,956	8,320	24,214
Interest		4,336	5,000	6,014
Total Revenue		655,200	539,176	575,445
Expenses				
Locally Raised Funds	3	4,657	3,500	7,416
Learning Resources	4	400,235	344,220	335,336
Administration	5	75,924	67,120	67,034
Interest		296	250	348
Property	6	91,036	65,098	72,917
Other Expenses	7	108,460	100,300	94,050
Loss on Disposal of Property, Plant and Equipment		668	-	3,176
Total Expense		681,276	580,488	580,277
Net Surplus / (Deficit) for the year		(26,076)	(41,312)	(4,832)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(26,076)	(41,312)	(4,832)

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

Rere 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		649,256	622,259	652,339
Total comprehensive revenue and expense for the year		(26,076)	(41,312)	(4,832)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		178	-	1,749
Equity at 31 December		623,358	580,947	649,256

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.

Rere School

Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	8	247,261	148,525	205,451
Accounts Receivable	9	20,477	23,000	22,235
GST Receivable		8,861	2,000	4,748
Prepayments		12,619	10,000	11,363
Investments	10	-	95,000	195,063
		<u>289,218</u>	<u>278,525</u>	<u>438,860</u>
Current Liabilities				
GST Payable		-	4,500	-
Accounts Payable	12	19,498	32,078	34,177
Revenue Received in Advance	13	1,180	1,000	1,160
Provision for Cyclical Maintenance	14	10,845	-	-
Finance Lease Liability	15	2,217	3,000	2,657
		<u>33,740</u>	<u>40,578</u>	<u>37,994</u>
Working Capital Surplus/(Deficit)		255,478	237,947	400,866
Non-current Assets				
Property, Plant and Equipment	11	390,258	370,000	273,683
		<u>390,258</u>	<u>370,000</u>	<u>273,683</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	20,432	23,000	21,525
Finance Lease Liability	15	1,946	4,000	3,768
		<u>22,378</u>	<u>27,000</u>	<u>25,293</u>
Net Assets		<u><u>623,358</u></u>	<u><u>580,947</u></u>	<u><u>649,256</u></u>
Equity		<u><u>623,358</u></u>	<u><u>580,947</u></u>	<u><u>649,256</u></u>

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

Rere School

Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash flows from Operating Activities				
Government Grants		320,798	262,361	281,077
Locally Raised Funds		25,084	9,130	23,524
Goods and Services Tax (net)		(4,113)	7,248	(9,176)
Payments to Employees		(140,948)	(101,437)	(80,284)
Payments to Suppliers		(208,115)	(214,931)	(196,969)
Interest Paid		(296)	(250)	(348)
Interest Received		6,726	4,390	3,773
Net cash from/(to) Operating Activities		(864)	(33,489)	21,597
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(149,653)	(125,256)	(25,526)
Purchase of Investments		-	100,063	(2,704)
Proceeds from Sale of Investments		195,062	-	-
Net cash from/(to) Investing Activities		45,409	(25,193)	(28,230)
Cash flows from Financing Activities				
Furniture and Equipment Grant		(1,571)	-	1,749
Finance Lease Payments		(1,164)	1,776	(1,184)
Funds Administered on Behalf of Other Parties		-	-	(72,722)
Net cash from/(to) Financing Activities		(2,735)	1,776	(72,157)
Net increase/(decrease) in cash and cash equivalents		41,810	(56,906)	(78,790)
Cash and cash equivalents at the beginning of the year	8	205,451	205,451	284,241
Cash and cash equivalents at the end of the year	8	247,261	148,545	205,451

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.

Rere School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

Rere School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

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

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives.

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Other Ministry Grants for directly funded programs are recorded as revenue when the School has the rights to the funding in the period they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

Other Grants where conditions exist

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

Interest Revenue

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

d) 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.

e) 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.

f) Accounts Receivable

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

g) 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.

h) 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	50 years
Furniture and Equipment	4+10 years
Information and Communication Technology	3 years
Textbooks	4 years
Leased Assets held under a Finance Lease	3 years
Library Resources	12.5% Diminishing value

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

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

Non cash generating assets

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

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a

service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

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

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

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

j) 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.

k) 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, to but not yet taken at balance date.

Long-term employee entitlements

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

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

l) Revenue Received in Advance

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

m) Provision for Cyclical Maintenance

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

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

The schools 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.

n) Financial Instruments

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

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

o) 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.

p) Budget Figures

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

u) 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	321,312	262,875	281,226
Teachers' Salaries Grants	243,316	223,332	218,424
Use of Land and Buildings Grants	53,280	39,649	45,567
	617,908	525,856	545,217

The school has opted in to the donations scheme for this year. Total amount received was \$5,240.

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	7,128	-	-
Curriculum Related Activities - Purchase of Goods and Services	-	-	3,878
Fees for Extra Curricular Activities	170	-	217
Trading	6,495	-	-
Fundraising and Community Grants	8,431	-	6,217
Other Revenue	10,732	8,320	13,902
	32,956	8,320	24,214
Expenses			
Extra Curricular Activities Costs	80	-	680
Other Locally Raised Funds Expenditure	4,577	3,500	6,736
	4,657	3,500	7,416
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	28,299	4,820	16,798

4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	9,438	37,100	35,390
Equipment Repairs	1,662	2,000	762
Information and Communication Technology	2,622	3,000	3,092
Library Resources	-	300	190
Employee Benefits - Salaries	345,787	263,082	265,260
Staff Development	9,414	11,000	1,921
Depreciation	31,312	27,738	28,721
	400,235	344,220	335,336

5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,878	4,878	3,204
Board Fees	3,150	4,500	3,055
Board Expenses	6,239	6,000	7,462
Communication	1,106	1,200	1,189
Consumables	9,604	10,007	9,944
Other	5,570	1,050	118
Employee Benefits - Salaries	32,647	26,500	30,141
Insurance	7,230	7,500	6,665
Service Providers, Contractors and Consultancy	5,500	5,485	5,256
	<u>75,924</u>	<u>67,120</u>	<u>67,034</u>

6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	3,345	2,000	3,119
Cyclical Maintenance Provision	9,752	3,349	3,349
Grounds	5,426	5,100	6,675
Heat, Light and Water	4,354	6,000	5,636
Repairs and Maintenance	6,641	1,000	476
Use of Land and Buildings	53,280	39,649	45,567
Employee Benefits - Salaries	8,238	8,000	8,095
	<u>91,036</u>	<u>65,098</u>	<u>72,917</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	108,460	100,300	94,050
	<u>108,460</u>	<u>100,300</u>	<u>94,050</u>

8. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	247,261	148,525	205,451
Cash and Cash Equivalents for Statement of Cash Flows	<u>247,261</u>	<u>148,525</u>	<u>205,451</u>

9. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	8,862	-	970
Interest Receivable	-	3,000	2,390
Teacher Salaries Grant Receivable	11,615	20,000	18,875
	<u>20,477</u>	<u>23,000</u>	<u>22,235</u>
Receivables from Exchange Transactions	8,862	3,000	3,360
Receivables from Non-Exchange Transactions	11,615	20,000	18,875
	<u>20,477</u>	<u>23,000</u>	<u>22,235</u>

10. Investments

The School's investment activities are classified as follows:

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Asset			
Short-term Bank Deposits	-	95,000	195,063
Total Investments	<u>-</u>	<u>95,000</u>	<u>195,063</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2023						
Building Improvements	213,114	101,889	(8)	-	(12,818)	302,177
Furniture and Equipment	47,536	40,171	(660)	-	(12,266)	74,781
Information and Communication Technology	4,432	-	-	-	(2,628)	1,804
Leased Assets	5,173	-	-	-	(3,171)	2,002
Library Resources	3,428	-	-	-	(429)	2,999
Balance at 31 December 2023	<u>273,683</u>	<u>142,060</u>	<u>(668)</u>	<u>-</u>	<u>(31,312)</u>	<u>383,763</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	399,534	(97,357)	302,177	297,996	(84,882)	213,114
Furniture and Equipment	233,967	(152,692)	81,275	206,659	(159,123)	47,536
Information and Communication T	37,520	(35,717)	1,803	37,520	(33,088)	4,432
Leased Assets	8,603	(6,600)	2,003	9,701	(4,528)	5,173
Library Resources	20,557	(17,557)	3,000	20,557	(17,129)	3,428
Balance at 31 December	<u>700,181</u>	<u>(309,923)</u>	<u>390,258</u>	<u>572,433</u>	<u>(298,750)</u>	<u>273,683</u>

12. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	2,561	6,000	3,942
Accruals	3,254	4,878	9,436
Banking Staffing Overuse	-	-	514
Employee Entitlements - Salaries	12,022	20,000	19,142
Employee Entitlements - Leave Accrual	1,661	1,200	1,143
	<u>19,498</u>	<u>32,078</u>	<u>34,177</u>
Payables for Exchange Transactions	19,498	32,078	34,177
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>19,498</u>	<u>32,078</u>	<u>34,177</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Other revenue in Advance	1,180	1,000	1,160
	<u>1,180</u>	<u>1,000</u>	<u>1,160</u>

14. Provision for Cyclical Maintenance

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	21,525	21,525	18,176
Increase to the Provision During the Year	3,349	1,475	3,349
Other Adjustments	6,403	-	-
Provision at the End of the Year	<u>31,277</u>	<u>23,000</u>	<u>21,525</u>
Cyclical Maintenance - Current	10,845	-	-
Cyclical Maintenance - Non Current	20,432	23,000	21,525
	<u>31,277</u>	<u>23,000</u>	<u>21,525</u>

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

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	2,217	3,000	2,657
Later than One Year and no Later than Five Years	2,052	4,200	3,966
Later than Five Years	(106)	(200)	(198)
	<u>4,163</u>	<u>7,000</u>	<u>6,425</u>
Represented by			
Finance lease liability - Current	2,217	3,000	2,657
Finance lease liability - Non Current	1,946	4,000	3,768
	<u>4,163</u>	<u>7,000</u>	<u>6,425</u>

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 \$	
Nil Projects		-	-	-	-	-	
Totals		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
		2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
215979 Site: Plumbing & Drainage			35,885	4,296	(40,181)	-	-
215982 - AMS-A: DQLS Upgrade			36,837	4,325	(41,162)	-	-
Totals			<u>72,722</u>	<u>8,621</u>	<u>(81,343)</u>	<u>-</u>	<u>-</u>

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 Board members, Principal, Deputy Principals and Heads of Departments.

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	3,150	3,055
<i>Leadership Team</i>		
Remuneration	122,323	106,271
Full-time equivalent members	1	1
Total key management personnel remuneration	<u>125,473</u>	<u>109,326</u>

There are six members of the Board excluding the Principal. The Board had held eight full meetings of the Board in the year. The Board also has Finance (one member) and Property (one member) committee 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 1

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	100 - 110	0 - 0
Benefits and Other Emoluments	3 - 4	0 - 0
Termination Benefits	-	-

Principal 2

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	44,105	110 - 120
Benefits and Other Emoluments	0 - 1	3 - 4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	-	-
	<u>0.00</u>	<u>0.00</u>

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

	2023	2022
	Actual	Actual
Total	\$0	\$0
Number of People	-	-

20. Contingencies

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

Holidays Act Compliance – Schools Payroll

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

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

Pay equity settlement wash-up amounts

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

21. Commitments

(a) Capital Commitments

As at 31 December 2023 the Board had no capital commitments.

(Capital commitments at 31 December 2022: \$nil)

(b) Operating Commitments

As at 31 December 2023 the Board had no operating commitments.

The total lease payments incurred during the period were \$nil (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	247,261	148,525	205,451
Receivables	20,477	23,000	22,235
Investments - Term Deposits	-	95,000	195,063
Total Financial Assets Measured at Amortised Cost	<u>267,738</u>	<u>266,525</u>	<u>422,749</u>

Financial Liabilities Measured at Amortised Cost

Payables	19,498	32,078	34,177
Finance Leases	4,163	7,000	6,425
Total Financial Liabilities Measured at Amortised Cost	<u>23,661</u>	<u>39,078</u>	<u>40,602</u>

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.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF RERE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Rere School (the School). The Auditor-General has appointed me, David Fraser, using the staff and resources of Silks Audit Chartered Accountants Limited, 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 2 to 11, 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 Tier 2 PBE Accounting Standards (PBE IPS S) Reduced Disclosure Regime*

Our audit was completed on 2 May 2024. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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 1 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

We performed the audit as part of an audit in accordance with the Auditor-General's Auditing Standards, we exercised 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 2013.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 1, 2 to 3, 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.

David Fraser

David Fraser
Silks Audit Chartered Accountants Limited
On behalf of the Auditor-General
Whanganui, New Zealand

Rere School

Kiwisport Report

For the year ended 31 December 2023

During the year the Board was the recipient of additional Government funding for specific purposes:

Kiwisport is a Government funded initiative to support students' participation in organised sport. In 2023 the school received total Kiwisport funding of \$527 (excluding GST). The funding was spent on sports fees and equipment.

The number of students participating in organised sport continues to be at excellent levels.

Rere School

Statement of Compliance with Employment Policy

For the year ended 31 December 2023

For the year ended 31st December 2023 the Rere School Board:

Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment

Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice

Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board

Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination

Meets all Equal Employment Opportunities requirements