

# BIRKDALE PRIMARY SCHOOL

## ANNUAL FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### School Directory

**Ministry Number:** 1230

**Principal:** Natasha Teinakore

**School Address:** 10 Salisbury Road  
Birkdale  
Auckland 0628

**School Phone:** (09) 483 7767

**School Email:** [office@birkdaleprimary.school.nz](mailto:office@birkdaleprimary.school.nz)

#### Members of the Board:

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Edward Rooney	Presiding Member	Elected	Sept 2025
Natasha Teinakore	Principal ex Officio		
Nick Roud	Parent Representative	Elected	Sept 2025
Joanna Barr	Parent Representative	Elected	Sept 2025
Kyla Hansell	Parent Representative	Selected	Sept 2025
Kelsey Benefield	Parent Representative	Selected	Sept 2025
Laurie O'Connor	Staff Representative	Elected	Sept 2025
Fiona Kemplen	Parent Representative	Elected	June 2023

#### Accountant / Service Provider:

Top Class Financial Management Services

# BIRKDALE PRIMARY SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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# Birkdale Primary 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.

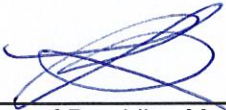
The management (including the Principal and others, as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

Jo Barr

Full Name of Presiding Member



Signature of Presiding Member

08.05.24

Date:

Natasha Teinakone

Full Name of Principal



Signature of Principal

08.05.24

Date:

# Birkdale Primary School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Revenue</b>				
Government Grants	2	2,564,832	2,305,632	2,369,793
Locally Raised Funds	3	229,479	56,245	47,597
Interest		31,695	6,000	12,293
<b>Total Revenue</b>		<b>2,826,006</b>	<b>2,367,877</b>	<b>2,429,683</b>
<b>Expense</b>				
Locally Raised Funds	3	33,727	25,680	33,377
Learning Resources	4	1,784,315	1,602,777	1,506,084
Administration	5	179,051	165,429	183,672
Interest		2,081	3,000	2,151
Property	6	647,160	603,099	607,468
Loss on Disposal of Property, Plant and Equipment		1,566	-	5,869
<b>Total Expense</b>		<b>2,647,900</b>	<b>2,399,985</b>	<b>2,338,621</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>178,106</b>	<b>(32,108)</b>	<b>91,062</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>178,106</b>	<b>(32,108)</b>	<b>91,062</b>

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

# Birkdale Primary School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Equity at 1 January</b>		483,114	483,114	392,052
Total comprehensive revenue and expense for the year		178,106	(32,108)	91,062
Contributions from / (Distributions to) the Ministry of Education		-	-	-
Contribution - Furniture and Equipment Grant		9,108	-	-
<b>Equity at 31 December</b>		670,328	451,006	483,114
Accumulated comprehensive revenue and expense		670,328	451,006	483,114
<b>Equity at 31 December</b>		670,328	451,006	483,114

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.

# Birkdale Primary School

## Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	324,802	161,626	585,336
Accounts Receivable	8	135,309	103,000	108,597
GST Receivable		22,212	5,000	8,356
Prepayments		8,219	1,000	1,639
Inventories	9	2,472	4,000	4,389
Investments	10	300,000	300,000	200,000
Funds Receivable for Capital Works Projects	17	9,654	-	5,000
		802,668	574,626	913,317
<b>Current Liabilities</b>				
Accounts Payable	12	164,963	129,200	125,089
Revenue Received in Advance	13	20,605	-	126,917
Provision for Cyclical Maintenance	14	30,050	6,050	32,369
Finance Lease Liability	15	13,048	12,000	12,967
Funds held for Capital Works Projects	17	155,375	-	151,246
		384,041	147,250	448,588
<b>Working Capital Surplus/(Deficit)</b>		418,627	427,376	464,729
<b>Non-current Assets</b>				
Investments	10	59,100	59,100	58,356
Property, Plant and Equipment	11	392,120	161,123	150,523
		451,220	220,223	208,879
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	125,405	117,493	113,543
Finance Lease Liability	15	15,014	20,000	18,595
Funds held in Trust	16	59,100	59,100	58,356
		199,519	196,593	190,494
<b>Net Assets</b>		670,328	451,006	483,114
<b>Equity</b>		670,328	451,006	483,114

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

# Birkdale Primary School

## Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		749,616	793,404	701,710
Locally Raised Funds		109,155	56,245	137,917
Goods and Services Tax (net)		(13,856)	-	2,246
Payments to Employees		(480,548)	(414,132)	(390,833)
Payments to Suppliers		(256,316)	(253,402)	(256,324)
Interest Paid		(2,081)	(3,000)	(2,151)
Interest Received		26,155	4,000	11,794
Net cash from/(to) Operating Activities		132,125	183,115	204,359
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(289,463)	(60,944)	(77,043)
Purchase of Investments		(100,744)	(100,750)	(290)
Proceeds from Sale of Investments		-	-	150,000
Net cash from/(to) Investing Activities		(390,207)	(161,694)	72,667
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		9,108	-	-
Finance Lease Payments		(11,779)	(8,281)	(10,934)
Funds Administered on Behalf of Other Parties		219	750	(143,829)
Net cash from/(to) Financing Activities		(2,452)	(7,531)	(154,763)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(260,534)</b>	<b>13,890</b>	<b>122,263</b>
Cash and cash equivalents at the beginning of the year	7	585,336	147,736	463,073
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>324,802</b>	<b>161,626</b>	<b>585,336</b>

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.

# Birkdale Primary School

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### 1. Statement of Accounting Policies

##### **a) Reporting Entity**

Birkdale Primary 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 22.

### *Recognition of grants*

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

## **c) Revenue Recognition**

### **Government Grants**

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

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

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

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

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

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

### **Other Grants where conditions exist**

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

### **Donations, Gifts and Bequests**

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

### **Interest Revenue**

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

## **d) Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

## **e) Finance Lease Payments**

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

## **f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

### **g) Accounts Receivable**

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

### **h) Inventories**

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

### **i) Investments**

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

### **j) 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:

Furniture and equipment	5–20 years
Information and communication technology	2–5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	8 years

### **k) Accounts Payable**

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

### **l) Employee Entitlements**

#### *Short-term employee entitlements*

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

### **m) Revenue Received in Advance**

Revenue received in advance relates to camps fees and purchase of stationery received from domestic students and grants received for PE & CA Agreement and Principal's Wellbeing 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.

**n) Funds Held in Trust**

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

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

**o) 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.

**p) Provision for Cyclical Maintenance**

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

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

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

**q) 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.

**r) 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.

**s) Budget Figures**

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

**t) 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	719,916	615,849	715,481
Teachers' Salaries Grants	1,386,041	1,250,000	1,202,651
Use of Land and Buildings Grants	458,875	439,783	439,783
Other Government Grants	-	-	11,878
	<u>2,564,832</u>	<u>2,305,632</u>	<u>2,369,793</u>

The school has opted in to the donations scheme for this year. Total amount received was \$29,899.

## 3. Locally Raised Funds

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Revenue</b>			
Donations & Bequests	-	2,000	5,400
Fees for Extra Curricular Activities	27,562	31,995	27,554
Trading	6,224	-	1,083
Fundraising & Community Grants	195,693	22,250	13,560
	<u>229,479</u>	<u>56,245</u>	<u>47,597</u>
<b>Expense</b>			
Extra Curricular Activities Costs	18,617	23,880	28,509
Trading	8,351	-	771
Fundraising and Community Grant Costs	6,759	1,800	4,097
	<u>33,727</u>	<u>25,680</u>	<u>33,377</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>195,752</u>	<u>30,565</u>	<u>14,220</u>

Community Grants include a \$90,000 from Lion Foundation and \$40,000 from Pub Charities for the new playground.

## 4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	33,048	46,013	31,015
Information and Communication Technology	10,563	10,820	9,916
Library Resources	640	850	750
Employee Benefits - Salaries	1,685,783	1,497,292	1,415,738
Staff Development	6,655	12,802	15,016
Depreciation	47,626	35,000	33,649
	<u>1,784,315</u>	<u>1,602,777</u>	<u>1,506,084</u>

## 5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	9,200	9,200	8,932
Board Fees	3,315	4,120	2,965
Board Expenses	4,730	4,230	3,605
Communication	2,838	2,020	3,273
Consumables	12,071	8,300	9,245
Operating Leases	-	300	439
Other	11,162	11,415	14,863
Employee Benefits - Salaries	124,429	113,654	128,585
Insurance	3,116	4,000	3,815
Service Providers, Contractors and Consultancy	8,190	8,190	7,950
	<u>179,051</u>	<u>165,429</u>	<u>183,672</u>

## 6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	10,599	7,800	8,297
Consultancy and Contract Services	35,077	35,000	35,435
Cyclical Maintenance	18,543	10,000	18,487
Grounds	8,156	12,000	7,658
Heat, Light and Water	26,971	20,500	20,620
Rates	61	130	123
Repairs and Maintenance	18,148	9,700	3,944
Use of Land and Buildings	458,875	439,783	439,783
Security	11,001	12,000	11,181
Employee Benefits - Salaries	59,729	56,186	61,940
	<u>647,160</u>	<u>603,099</u>	<u>607,468</u>

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

## 7. Cash and Cash Equivalents

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Bank Accounts	224,802	161,626	585,336
Short-term Bank Deposits	100,000	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>324,802</u>	<u>161,626</u>	<u>585,336</u>

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

Of the \$324,802 Cash and Cash Equivalents, \$155,375 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.

## 8. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	3,557	-	-
Receivables from the Ministry of Education	-	-	19,245
Interest Receivable	7,026	3,000	1,486
Teacher Salaries Grant Receivable	124,726	100,000	87,866
	<u>135,309</u>	<u>103,000</u>	<u>108,597</u>
Receivables from Exchange Transactions	10,583	3,000	1,486
Receivables from Non-Exchange Transactions	124,726	100,000	107,111
	<u>135,309</u>	<u>103,000</u>	<u>108,597</u>

## 9. Inventories

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Stationery	2,472	4,000	4,389
	<u>2,472</u>	<u>4,000</u>	<u>4,389</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	300,000	300,000	200,000
<b>The Fordham Trust</b>			
Non-current Asset			
Long-term Bank Deposits	59,100	59,100	58,356
Total Investments	<u>359,100</u>	<u>359,100</u>	<u>258,356</u>

During 2007, the School was bequeathed \$50,000 from the Estate of Nita Althea Parke, to be called "The Fordham Trust" as per the terms of the bequest. The funds are to be invested, and 25% of the interest returned to the trust each year. The school is able to use 75% of the interest for whatever project the school chooses.

If the school is wound up within 20 years of the date of the original bequest, the legacy (principal plus compounded interest) is to be paid to World Vision of New Zealand.

These funds are invested until 11 December 2024, but as they have restricted use they do not meet the terms of Cash or Cash Equivalents.

In September 2011, the Board of Trustees requested World Vision to rescind the clause in this bequest, and allow the Board of Trustees full access to the funds. World Vision denied their request.

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Furniture and Equipment	83,888	287,850	-	-	(19,744)	<b>351,994</b>
Information and Communication Technology	33,361	1,613	-	-	(14,506)	<b>20,468</b>
Leased Assets	29,752	1,326	(1,566)	-	(12,579)	<b>16,933</b>
Library Resources	3,522	-	-	-	(797)	<b>2,725</b>
<b>Balance at 31 December 2023</b>	<b>150,523</b>	<b>290,789</b>	<b>(1,566)</b>	<b>-</b>	<b>(47,626)</b>	<b>392,120</b>

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	532,590	(180,596)	<b>351,994</b>	351,158	(267,270)	<b>83,888</b>
Information and Communication Technology	108,377	(87,909)	<b>20,468</b>	112,296	(78,935)	<b>33,361</b>
Leased Assets	46,139	(29,206)	<b>16,933</b>	57,154	(27,402)	<b>29,752</b>
Library Resources	36,067	(33,342)	<b>2,725</b>	36,067	(32,545)	<b>3,522</b>
<b>Balance at 31 December 2023</b>	<b>723,173</b>	<b>(331,053)</b>	<b>392,120</b>	<b>556,675</b>	<b>(406,152)</b>	<b>150,523</b>

## 12. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	15,457	15,000	15,886
Accruals	12,609	9,200	12,518
Banking Staffing Overuse	3,501	-	-
Employee Entitlements - Salaries	124,726	100,000	87,866
Employee Entitlements - Leave Accrual	8,670	5,000	8,819
	<b>164,963</b>	<b>129,200</b>	<b>125,089</b>
Payables for Exchange Transactions	164,963	129,200	125,089
	<b>164,963</b>	<b>129,200</b>	<b>125,089</b>

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	10,455	-	-
Other revenue in Advance	10,150	-	126,917
	<b>20,605</b>	<b>-</b>	<b>126,917</b>

#### 14. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	145,912	145,912	127,425
Increase to the Provision During the Year	18,543	10,000	18,487
Use of the Provision During the Year	(9,000)	(32,369)	
Provision at the End of the Year	<u>155,455</u>	<u>123,543</u>	<u>145,912</u>
Cyclical Maintenance - Current	30,050	6,050	32,369
Cyclical Maintenance - Non current	125,405	117,493	113,543
	<u>155,455</u>	<u>123,543</u>	<u>145,912</u>

The schools cyclical maintenance schedule details annual painting to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on quotes and invoices.

#### 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	14,679	15,000	14,699
Later than One Year and no Later than Five Years	15,822	19,000	19,844
Future Finance Charges	(2,439)	(2,000)	(2,981)
	<u>28,062</u>	<u>32,000</u>	<u>31,562</u>
<b>Represented by</b>			
Finance lease liability - Current	13,048	12,000	12,967
Finance lease liability - Non current	15,014	20,000	18,595
	<u>28,062</u>	<u>32,000</u>	<u>31,562</u>

#### 16. Bequest - The Fordham Trust

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Funds Held in Trust on Behalf of The Fordham Trust - Non Current See Note 10	59,100	59,100	58,356
	<u>59,100</u>	<u>59,100</u>	<u>58,356</u>



## 17. Funds Held for Capital Works Projects

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

2023	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Drainage Project 229884	11,084	-	(422)	-	10,662
COLA 228670	140,162	-	(37,159)	-	103,003
Water Supply 229885	(5,000)	-	-	-	(5,000)
Heatpump 245242	-	96,705	(63,468)	-	33,237
Upgrade Power 245241	-	19,800	(11,477)	-	8,323
PA Lockdown System 229886	-	34,200	(38,032)	-	(3,832)
Security Cameras 241563	-	20,700	(20,550)	-	150
Durham Hall 229882	-	44,100	(44,922)	-	(822)
Totals	<u>146,246</u>	<u>215,505</u>	<u>(216,030)</u>	<u>-</u>	<u>145,721</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	155,375
Funds Receivable from the Ministry of Education	(9,654)

2022	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Drainage Project 229884	51,747	3,229	(43,892)	-	11,084
COLA 228670	153,549	-	(13,387)	-	140,162
Water Supply 229885	-	45,000	(50,000)	-	(5,000)
Class 3/4 AMS 229883	(11,731)	124,524	(112,793)	-	-
Electrical Upgrade	1,500	-	(1,500)	-	-
Replace Repitch Roof 229888	95,300	10,700	(106,000)	-	-
Totals	<u>290,365</u>	<u>183,453</u>	<u>(327,572)</u>	<u>-</u>	<u>146,246</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	151,246
Funds Receivable from the Ministry of Education	(5,000)

## 18. 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.

## 19. Remuneration

### Key management personnel compensation

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

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
<i>Board Members</i> Remuneration	3,315	2,965
<i>Leadership Team</i> Remuneration Full-time equivalent members	463,898 4	326,915 3
Total key management personnel remuneration	<u>467,213</u>	<u>329,880</u>

There are six members of the Board excluding the Principal. The Board has held eight full meetings of the Board in the year. 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.

### Principal 1

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

	<b>2023 Actual \$000</b>	<b>2022 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	130-140
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

### Other Employees

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

<b>Remuneration \$000</b>	<b>2023 FTE Number</b>	<b>2022 FTE Number</b>
100-110	2.00	1.00
110-120	2.00	
	<u>4.00</u>	<u>1.00</u>

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

## 20. 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:

	<b>2023 Actual</b>	<b>2022 Actual</b>
Total	-	-
Number of People	-	-

## 21. Contingencies

There are no contingent liabilities 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.

## 22. Commitments

### (a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$170,886 (2022:\$171,412) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
COLA 228670	155,560	53,546	102,014
	<b>155,560</b>	<b>53,546</b>	<b>102,014</b>

### (b) Operating Commitments

As at 31 December 2023, the Board has entered into the following contracts:

- (a) operating lease of a EFTPOS Machine;
- (b) operating lease of a Bellminder Machine;

No later than One Year

2023 Actual \$	2022 Actual \$
646	1,270
<u>646</u>	<u>1,270</u>

The total lease payments incurred during the period were \$0 (2022: \$439).

## 23. 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	324,802	161,626	585,336
Receivables	135,309	103,000	108,597
Investments - Term Deposits	359,100	359,100	258,356
Total financial assets measured at amortised cost	<u>819,211</u>	<u>623,726</u>	<u>952,289</u>

### Financial liabilities measured at amortised cost

Payables	164,963	129,200	125,089
Finance Leases	28,062	32,000	31,562
Total financial liabilities measured at amortised cost	<u>193,025</u>	<u>161,200</u>	<u>156,651</u>

## 24. 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 Birkdale Primary School's Financial Statements

For the Year Ended 31 December 2023

The Auditor-General is the auditor of Birkdale Primary School (the School). The Auditor-General has appointed me, Myriam Gros, using the staff and resources of William Buck Audit (NZ) 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 18, 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 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime.

Our audit was completed on 8 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 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 arises from the Public Audit Act 2001.

### **Other information**

The Board of Trustees is responsible for the other information. The other information comprises the information included in the annual report being the Kiwisport Report, Giving Effect to Te Tiriti, Statement of Compliance with Employment Policy, Members of the Board of Trustees, BIRKDALE Progress and Achievement Report 2023 and Statement of Variance, 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* issued by the New Zealand Auditing and Assurance Standards Board.

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



**Myriam Gros**  
**William Buck Audit (NZ) Limited**  
On behalf of the Auditor-General  
Auckland, New Zealand