

BALFOUR SCHOOL

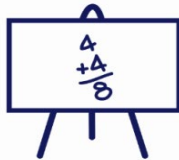
ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number:	3932
Principal:	Heather Boniface (Acting)
School Address:	131 Queen Street, Balfour
School Postal Address:	P O Box 96, Balfour
School Phone:	03 201 6042
School Email:	office@balfour.school.nz

Accountant / Service Provider:



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BALFOUR SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Balfour 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.

Philip Deel McCallum

Full Name of Presiding Member

Heather Margaret Boniface

Full Name of Principal



Signature of Presiding Member

H.M. Boniface

Signature of Principal

29/7/2024

Date:

29/7/2024

Date:

Balfour 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	1,015,857	961,000	931,273
Locally Raised Funds	3	36,030	35,000	50,214
Interest		16,694	3,000	3,537
Other Revenue		20,052	12,000	15,082
Total Revenue		1,088,633	1,011,000	1,000,106
Expense				
Locally Raised Funds	3	15,329	6,000	13,776
Learning Resources	4	777,160	746,950	718,691
Administration	5	110,856	85,900	87,278
Interest		101	-	392
Property	6	204,476	174,400	190,477
Loss on Disposal of Property, Plant and Equipment		-	-	1
Total Expense		1,107,922	1,013,250	1,010,615
Net Surplus / (Deficit) for the year		(19,289)	(2,250)	(10,509)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(19,289)	(2,250)	(10,509)

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

Balfour 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		345,211	345,211	340,794
Total comprehensive revenue and expense for the year		(19,289)	(2,250)	(10,509)
Contributions from / (Distributions to) the Ministry of Education		-	-	-
Contribution - Furniture and Equipment Grant		26,652	10,289	14,926
Equity at 31 December		352,574	353,250	345,211
Accumulated comprehensive revenue and expense		352,574	353,250	345,211
Reserves		-	-	-
Equity at 31 December		352,574	353,250	345,211

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.

Balfour School

Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	7	615,558	157,650	211,917
Accounts Receivable	8	39,414	40,000	59,295
Prepayments		2,062	1,500	1,970
GST		9,142	3,000	21,901
Investments	9	97,055	94,000	93,962
		<u>763,231</u>	<u>296,150</u>	<u>389,045</u>
Current Liabilities				
Accounts Payable	11	54,738	50,000	68,160
Revenue Received in Advance	12	1,575	-	-
Provision for Cyclical Maintenance	13	69,751	-	60,986
Finance Lease Liability	14	427	2,000	1,834
Funds held for Capital Works Projects	15	414,195	-	33,976
		<u>540,686</u>	<u>52,000</u>	<u>164,956</u>
Working Capital Surplus/(Deficit)		222,545	244,150	224,089
Non-current Assets				
Property, Plant and Equipment	10	136,725	128,800	135,978
		<u>136,725</u>	<u>128,800</u>	<u>135,978</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	6,696	19,000	14,710
Finance Lease Liability	14	-	700	146
		<u>6,696</u>	<u>19,700</u>	<u>14,856</u>
Net Assets		<u>352,574</u>	<u>353,250</u>	<u>345,211</u>
Equity		<u>352,574</u>	<u>353,250</u>	<u>345,211</u>

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

Balfour 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		296,997	273,000	262,089
Locally Raised Funds		56,082	35,000	50,214
Goods and Services Tax (net)		12,759	-	(49,975)
Payments to Employees		(185,491)	(148,000)	(151,683)
Payments to Suppliers		(174,210)	(191,050)	(129,686)
Interest Paid		(101)	-	(392)
Interest Received		14,513	3,000	3,537
Net cash from/(to) Operating Activities		20,549	(28,050)	(15,896)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(19,132)	(10,000)	(6,526)
Purchase of Investments		(3,093)	-	(1,111)
Net cash from/(to) Investing Activities		(22,225)	(10,000)	(7,637)
Cash flows from Financing Activities				
Furniture and Equipment Grant		26,652	-	14,926
Finance Lease Payments		(1,553)	(5,300)	(4,503)
Funds Administered on Behalf of Other Parties		380,218	-	76,386
Net cash from/(to) Financing Activities		405,317	(5,300)	86,809
Net increase/(decrease) in cash and cash equivalents		403,641	(43,350)	63,276
Cash and cash equivalents at the beginning of the year	7	211,917	201,000	148,641
Cash and cash equivalents at the end of the year	7	615,558	157,650	211,917

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.

Balfour School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

Balfour 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 13.

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 10.

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 14. Future operating lease commitments are disclosed in note 19.

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) 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.

i) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	20–50 years
Board Owned Buildings	20–50 years
Furniture and equipment	10 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

j) 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 comparison to recent market transactions..

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 surplus or deficit.

The reversal of an impairment loss is recognised in 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.

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.

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.

m) 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.

n) 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.

o) Financial Instruments

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

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

p) 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.

q) Budget Figures

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

r) 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	287,661	259,000	245,566
Teachers' Salaries Grants	601,653	600,000	582,008
Use of Land and Buildings Grants	122,943	100,000	101,106
Other Government Grants	3,600	2,000	2,593
	<u>1,015,857</u>	<u>961,000</u>	<u>931,273</u>

The school has opted in to the donations scheme for this year. Total amount received was \$12,484.

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	7,358	13,000	14,513
Fees for Extra Curricular Activities	5,966	1,000	6,925
Trading	2,831	2,000	1,318
Fundraising & Community Grants	15,879	15,000	16,210
Other Revenue	3,996	4,000	11,248
	<u>36,030</u>	<u>35,000</u>	<u>50,214</u>
Expense			
Extra Curricular Activities Costs	6,875	4,000	9,176
Trading	2,067	2,000	1,733
Fundraising and Community Grant Costs	6,387	-	2,867
	<u>15,329</u>	<u>6,000</u>	<u>13,776</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>20,701</u>	<u>29,000</u>	<u>36,438</u>

4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	36,006	33,750	32,969
Employee Benefits - Salaries	720,894	684,000	657,845
Staff Development	1,875	10,000	6,237
Depreciation	18,385	19,200	21,640
	<u>777,160</u>	<u>746,950</u>	<u>718,691</u>

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	4,800	4,500	4,650
Board Fees	2,795	3,500	2,450
Board Expenses	6,612	2,000	1,178
Communication	2,197	2,500	2,405
Consumables	2,600	5,000	2,471
Operating Leases	2,214	500	804
Other	36,283	26,500	26,386
Employee Benefits - Salaries	50,736	39,000	44,452
Insurance	2,619	2,400	2,482
	110,856	85,900	87,278

6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	1,547	2,500	3,041
Cyclical Maintenance	751	6,000	13,496
Grounds	10,235	6,500	6,840
Heat, Light and Water	26,952	23,600	26,516
Rates	7,321	3,800	5,850
Repairs and Maintenance	17,243	7,000	3,372
Use of Land and Buildings	122,943	100,000	101,106
Employee Benefits - Salaries	17,484	25,000	30,256
	204,476	174,400	190,477

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	615,558	157,650	211,917
Cash and cash equivalents for Statement of Cash Flows	615,558	157,650	211,917

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

Of the \$615,558 Cash and Cash Equivalents, \$414,195 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 from the Ministry of Education	3,069	-	-
Interest Receivable	2,181	-	-
Banking Staffing Underuse	-	-	7,230
Teacher Salaries Grant Receivable	34,164	40,000	52,065
	<u>39,414</u>	<u>40,000</u>	<u>59,295</u>
Receivables from Exchange Transactions	2,181	-	-
Receivables from Non-Exchange Transactions	37,233	40,000	59,295
	<u>39,414</u>	<u>40,000</u>	<u>59,295</u>

9. Investments

The School's investment activities are classified as follows:

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Asset			
Short-term Bank Deposits	97,055	94,000	93,962
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	<u>97,055</u>	<u>94,000</u>	<u>93,962</u>

10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2023						
Land	5,000	-	-	-	-	5,000
Buildings	23,529	-	-	-	(2,450)	21,079
Building Improvements	82,474	11,391	-	-	(6,449)	87,416
Furniture and Equipment	9,714	7,741	-	-	(3,152)	14,303
Information and Communication Technology	10,058	-	-	-	(4,770)	5,288
Leased Assets	1,048	-	-	-	(1,045)	3
Library Resources	4,155	-	-	-	(519)	3,636
Balance at 31 December 2023	<u>135,978</u>	<u>19,132</u>	<u>-</u>	<u>-</u>	<u>(18,385)</u>	<u>136,725</u>

The net carrying value of furniture and equipment held under a finance lease is \$3 (2022: \$1,048)

Restrictions

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

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land	5,000	-	5,000	5,000	-	5,000
Buildings	49,000	(27,921)	21,079	49,000	(25,471)	23,529
Building Improvements	174,592	(87,176)	87,416	163,202	(80,728)	82,474
Furniture and Equipment	92,424	(78,121)	14,303	88,772	(79,058)	9,714
Information and Communication Technology	26,973	(21,685)	5,288	33,318	(23,260)	10,058
Leased Assets	8,371	(8,368)	3	10,608	(9,560)	1,048
Library Resources	41,916	(38,280)	3,636	41,916	(37,761)	4,155
Balance at 31 December 2023	398,276	(261,551)	136,725	391,816	(255,838)	135,978

11. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	10,735	50,000	12,095
Accruals	7,869	-	4,000
Employee Entitlements - Salaries	34,164	-	52,065
Employee Entitlements - Leave Accrual	1,970	-	-
	54,738	50,000	68,160
Payables for Exchange Transactions	54,738	50,000	68,160
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	54,738	50,000	68,160

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	1,575	-	-
	1,575	-	-

13. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	75,696	75,696	62,200
Increase to the Provision During the Year	5,394	6,000	13,496
Use of the Provision During the Year	-	-	-
Other Adjustments	(4,643)	-	-
Provision at the End of the Year	<u>76,447</u>	<u>81,696</u>	<u>75,696</u>
Cyclical Maintenance - Current	69,751	-	60,986
Cyclical Maintenance - Non current	6,696	19,000	14,710
	<u>76,447</u>	<u>19,000</u>	<u>75,696</u>

14. 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	427	2,000	1,834
Later than One Year and no Later than Five Years	-	700	146
Later than Five Years	-	-	-
Future Finance Charges	-	-	-
	<u>427</u>	<u>2,700</u>	<u>1,980</u>
Represented by			
Finance lease liability - Current	427	2,000	1,834
Finance lease liability - Non current	-	700	146
	<u>427</u>	<u>2,700</u>	<u>1,980</u>

15. 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	Project Number	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Sports Shed	233632	9,900	7,856	(14,828)	-	2,928
Ancillary LSC, Admin, Heating	218234	24,076	250,000	(47,717)	-	226,359
Fence	240918	-	201,067	(16,159)	-	184,908
		-	-	-	-	-
Totals		<u>33,976</u>	<u>458,923</u>	<u>(78,704)</u>	<u>-</u>	<u>414,195</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	414,195
Funds Receivable from the Ministry of Education	-

2022	Project Number	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Sports Shed	233632	(1,044)	52,300	(41,356)	-	9,900
Ancillary LSC, Admin, Heating	218234	202,098	-	(178,022)	-	24,076
Totals		<u>201,054</u>	<u>52,300</u>	<u>(219,378)</u>	<u>-</u>	<u>33,976</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	33,976
Funds Receivable from the Ministry of Education	-



16. 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.

17. 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	2,795	2,450
<i>Leadership Team</i> Remuneration	215,819	224,799
Full-time equivalent members	2	2
Total key management personnel remuneration	218,614	227,249

There are 6 members of the Board excluding the Principal. The Board has held 9 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 finance, property and student welfare 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	50-60	120-130
Benefits and Other Emoluments	1-2	2-3
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	50-60	x - x
Benefits and Other Emoluments	0	-
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	1	-
110-120	-	-
	<u>1.00</u>	<u>0.00</u>

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

18. 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.

19. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$204,542 (2022:\$1,862,588) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Sports Shed	63,944	57,228	6,716
Ancillary LSC, Admin, Heating	2,869,568	389,746	2,479,822
Fence	363,317	16,159	347,158
Total	3,296,829	463,133	2,833,696

(b) Operating Commitments

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

(a) Nil

20. 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	615,558	157,650	211,917
Receivables	39,414	40,000	59,295
Investments - Term Deposits	97,055	94,000	93,962
Total financial assets measured at amortised cost	<u>752,027</u>	<u>291,650</u>	<u>365,174</u>

Financial liabilities measured at amortised cost

Payables	54,738	50,000	68,160
Finance Leases	427	2,700	1,980
Total financial liabilities measured at amortised cost	<u>55,165</u>	<u>52,700</u>	<u>70,140</u>

21. Events After Balance Date

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

22. 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 Balfour School's financial statements for the year ended 31 December 2023

The Auditor-General is the auditor of Balfour School (the School). The Auditor-General has appointed me, Anna Campbell, using the staff and resources of Crowe New Zealand Audit Partnership, 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:

- a) 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
- b) comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 29 July 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 arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information obtained at the date of our report is list of all school board members, statement of variance, evaluation of the school's students' progress and achievement, report on how the school has given effect to Te Tiriti o Waitangi, statement of compliance with employment policy and statement of Kiwisport funding, but does not include the financial statements and our auditor's report thereon.

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

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

Independence

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

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



Anna Campbell
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Invercargill, New Zealand

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Balfour School Board members 2024

Phillip McCallum	Board Chair
Kate Eaton	Finance
Nick Templer	Home and School Rep
Callum Black	Property
Jamie Maginn	Property/ Health and Safety
Rebecca Weatherall	Member
Janette Collins	Staff Rep
Heather Boniface	Acting Principal

**BALFOUR SCHOOL
KIWISPORT
2023**

Students participated in organised sport. In 2023 the school received Kiwisport funding of \$1274.56 The funding was spent on sports equipment, and coaching of teams.

School name: Balfour	School number: 3932
FOCUS Create an environment where tamariki and whanau feel valued and engaged	
Strategic Aim: Staff collaborate and plan quality programmes to raise student achievement and engagement.	
Annual Aim: To improve engagement and achievement in Literacy and Mathematics across the school.	
Target: To improve engagement and achievement in Literacy and Mathematics across the school.	



2023 Report to the Balfour Board End-of-Year Achievement Data

The school roll is 81 with all students represented in the data. The data for this report has been derived from a range of sources. This includes national standardised tests such as EastTTLe, PAT (Progressive Achievement Tests). Summative tests give a snapshot of progress in time. They are useful to compare student achievement using referenced benchmarks. And may be used to confirm where a student sits in relation to being at, above or below expected curriculum levels. Formative assessments form the bulk of assessment; the daily notes and progress in learning which inform teacher practice. The curriculum documents give clear direction around achievement objectives and are divided into levels. The levels are broad and curriculum documents such as the Literacy Learning Progression Framework provide signposts for learning, so that teachers can assess where each student is in relation to the signpost and then plan through direct acts of teaching to move students to the next signpost. Depending on the curriculum area, there are many signposts within each level. Teachers have used a range of assessment tools to make an Overall Teacher Judgement (OTJ) of where students sit.

Through Board funding, class sizes for 2023 were kept low with an additional class operating during Terms 1-3.

At the beginning of Term 3, 6 students moved from the New Entrant/Year 1 class to best meet learning and teaching needs.

Within the school, students are identified who require extra support to move towards expected levels. The model of Te Whare Tapa Wha has been used widely throughout the year. Identifying the need for students to be calm and ready for learning through addressing social and emotional needs. Staff have been involved in Professional Development throughout the year involving wellbeing. Many tools and skills have been explored to support students and teachers with wellbeing. Student Health and Wellbeing is reviewed at weekly Staff Meetings.

Review of data is used to inform teacher practice to identify at-risk learners. Teachers then use targeted learning programmes are then put in place, using the data and with

Balfour School

Te Tiriti o Waitangi Report

Effect has been given to Te tiriti o Waitangi through the Strategic Plan with planning and reporting following legislative requirements.

Outcomes

- 17 Year 5 and 6 students are above the expected level.
- 6 Year 3 and 4 students are above the expected level.
- 2 Year 2 students are above the expected level.
- Support programmes and Teacher Aide support has lifted achievement for a number of students to meet expected levels.
- The Better Start Literacy programme has been implemented during the past two years. In year 0-2, 5 students are at the expected level. 29 students are below the expected level.

Next Steps

- review the Literacy programme, using current research and best practice to raise achievement.
 - accelerate Year 0-2 progress to meet expected levels.
 - identify target groups through targetted learning plans, data to inform practice.
- Reviewed weekly at Staff Meetings.
- staff PD, use of Resource Teacher of Literacy, Ministry Curriculum Lead of Literacy.
 - whole school PD, using collective strengths and best practice.
 - mentor support system for Staff members.
 - targetted use of funding to raise achievement: extra specialist teacher support and TA support.
 - whole school buddy reading.

Mathematics End-of-Year Achievement Data

<u>Year</u>	<u>Below</u>	<u>At</u>	<u>Above</u>
0		7	
1	4	4	2
2	2	9	3
3	2	9	1
4	1	3	1
5	6	5	2
6	2	10	1
Total (74)	17 23%	47 64%	10 13%

Outcomes

- Mathematics has been a Professional Development focus for teachers. Professional development through the University of Otago with Averil Lee.
- Lead teacher, attending the Lead Teacher meetings.
- using current research and best practice to inform teaching.
- familiarisation with the Learning Progression Framework.
- use of mixed ability groupings, changing mindsets.
- research informed practice eg Jo Boaler.
- enjoyment of Maths, particularly for girls and at-risk learners.
- revised curriculum delivery plan
- problem-solving, low floor, high ceiling opportunities for learning.
- integration of Mathematics strand during Maths time and across curriculum.

Next Steps

- continue PD to strengthen practice using the Mathematics Learning Progression
- target groups of at-risk students identified by teachers with targetted learning plans in place.
- TA timetable to reflect need.

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>The school was involved in Mathematics PD. However, due to a period of disruption in the school and leadership changes, documentation is unavailable.</p>			<p>Review end of year data to translate to Strategic and Annual Plan</p>
<p>Planning for next year:</p> <ul style="list-style-type: none"> ● review the Literacy programme using current research and best practice to raise achievement ● Staff PD in Literacy ● Targetted use of funding to raise achievement 			



MINISTRY OF EDUCATION
Te Kaitiaki Take Kōwhiri

Tātaritanga raraunga

Ingoa o te kura me te kura nama:
Arotahi:
Whāinga rautaki:
Wāhanga ā-tau:
Uaratanga:
Raraunga o terā tau:

Tukanga (I aha mātou?)	Ngā hua (He aha ngā hua?)	Ngā take e rerekē ana (He aha i pēnei ai?)	Aromātai (He aha ināianei?)
<p>Mahere mahi mo te tau heke mai ana:</p>			

Balfour School Compliance with Education and Training Act 2020 requirements to be a good employer for the year ending 31 December 2023

The following questions address key aspects of compliance with a good employer policy:

Reporting on the principles of being a Good Employer

How have you met your obligations to provide good and safe working conditions?

As required by the Education and Training Act 2020 (s597), Balfour School operates an employment policy that complies with the principle of being a good employer and ensures the fair and proper treatment of staff in all aspects of their employment. The Equal Employment Opportunities (EEO) policy is our framework for providing an inclusive, non-discriminatory workplace, and promoting equal opportunities for all staff members. The policies and procedures are available on School Docs.

What is in your equal employment opportunities programme?

To help implement our EEO policy, we have a programme to identify processes that contribute to employment inequality. We work to change these processes and promote equal employment opportunities for individuals and groups of people. Our EEO policy and programme is available to all Balfour School staff. Our EEO programme includes appointing an EEO

representative, consulting with staff to hear any concerns, encouraging staff to participate in training and career development, programme monitoring through Staff Meetings and Board reports, reviewing employment and personnel policies and process

How have you been fulfilling this programme?

Through following the policies and procedures as per the EEO programme.

How do you practise impartial selection of suitably qualified persons for appointment?

The appointment procedure is followed. Any conflict of interest is registered.

How are you recognising, The aims and aspirations of Maori, The employment requirements of Maori, and greater involvement of Maori in the Education service?

As an equal opportunities

employer, we appoint appropriately trained and qualified staff to all teaching and non-teaching positions, and strive to find the best person for each position. We uphold our commitment to te Tiriti o Waitangi through our vision and Strategic Plan to reflect tikanga Māori.

How have you enhanced the abilities of individual employees?

Balfour School provides equitable opportunities for professional development to meet identified needs. The Board is committed to ensuring that all staff participate in ongoing, pertinent professional development related to school strategic goals.

How are you recognising the employment requirements of women?

Flexible working arrangements are available.

How are you recognising the employment requirements of persons with disabilities?

Through following policy and procedures including the Employer Responsibility Policy, Staff Wellbeing and Safety, Primary Duty of Care

Good employer policies should include provisions for an Equal Employment Opportunities (EEO) programme/policy. The Ministry of Education monitors these policies:

Reporting on Equal Employment Opportunities (EEO) Programme/Policy

Do you operate an EEO programme/policy?
Yes

Has this policy or programme been made available to staff?
Yes

Does your EEO programme/policy include training to raise awareness of issues which may impact EEO?

Yes

Has your EEO programme/policy appointed someone to coordinate compliance with its requirements?

Yes

Does your EEO programme/policy provide for regular reporting on compliance with the policy and/or achievements under the policy?

Yes

Does your EEO programme/policy set priorities and objectives?

Yes