

# KELVIN ROAD SCHOOL

## ANNUAL FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### School Directory

<b>Ministry Number:</b>	1332
<b>Principal:</b>	Heather Tanner
<b>School Address:</b>	74 Kelvin Road, Papakura, Auckland
<b>School Postal Address:</b>	74 Kelvin Road, Papakura, Auckland
<b>School Phone:</b>	09 298 8417
<b>School Email:</b>	<a href="mailto:principal@krs.ac.nz">principal@krs.ac.nz</a>

#### Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Joanna Harris	Presiding Member	Re-elected	2025
Heather Tanner	Principal ex Officio		
Riamondja Williams	Parent Representative	Elected	2025
Julie Hyland	Parent Representative	Re-elected	2025
Amber Smythe	Parent Representative	Elected	2025
Kirti Enaayat	Parent Representative	Elected	Resigned 2023
Tina Matthews	Staff Representative	Re-elected	2025

#### Accountant / Service Provider:

Edtech Financial Services Ltd

# KELVIN ROAD SCHOOL

## Annual Financial Statements - For the year ended 31 December 2023

### Index

<b>Page</b>	<b>Financial Statements</b>
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 23	Notes to the Financial Statements
24	Independent Auditor's Report

# Kelvin Road 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.

Riamondia Williams

Full Name of Presiding Member

Heather Tanner

Full Name of Principal

R.Williams

Signature of Presiding Member

Hanner

Signature of Principal

31.5.2024

Date:

31.5.2024

Date:

# Kelvin Road School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Revenue</b>				
Government Grants	2	5,234,963	3,997,942	4,533,239
Locally Raised Funds	3	70,950	30,700	35,565
Interest		86,378	38,000	31,460
<b>Total Revenue</b>		<b>5,392,291</b>	<b>4,066,642</b>	<b>4,600,264</b>
<b>Expense</b>				
Locally Raised Funds	3	33,308	16,800	27,113
Learning Resources	4	3,497,913	2,967,045	3,016,354
Administration	5	744,245	223,405	647,980
Interest		675	1,500	1,443
Property	6	1,035,838	938,096	956,045
Loss on Disposal of Property, Plant and Equipment		897	-	400
<b>Total Expense</b>		<b>5,312,876</b>	<b>4,146,846</b>	<b>4,649,335</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>79,415</b>	<b>(80,204)</b>	<b>(49,071)</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>79,415</b>	<b>(80,204)</b>	<b>(49,071)</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.

# Kelvin Road 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>		2,841,742	2,842,278	2,890,813
Total comprehensive revenue and expense for the year		79,415	(80,204)	(49,071)
Contribution - Furniture and Equipment Grant		27,131	-	-
Adjustment to Prior Year Equity		(5,419)	-	-
<b>Equity at 31 December</b>		2,942,869	2,762,074	2,841,742
Accumulated comprehensive revenue and expense		2,942,869	2,762,074	2,841,742
Reserves		-	-	-
<b>Equity at 31 December</b>		2,942,869	2,762,074	2,841,742

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.

**Kelvin Road 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	164,505	538,641	354,481
Accounts Receivable	8	335,057	189,230	189,230
GST Receivable		4,265	11,161	11,160
Prepayments		1,207	1,882	1,882
Inventories	9	7,367	3,013	3,013
Investments	10	1,650,510	1,331,911	1,331,911
Funds Receivable for Capital Works Projects	16	32,337	-	93,530
		<u>2,195,248</u>	<u>2,075,838</u>	<u>1,985,207</u>
<b>Current Liabilities</b>				
GST Payable		-	-	-
Accounts Payable	12	260,152	223,913	223,913
Revenue Received in Advance	13	40,431	-	32,856
Provision for Cyclical Maintenance	14	8,000	7,369	7,369
Finance Lease Liability	15	4,097	8,369	8,369
Funds held for Capital Works Projects	16	-	-	1,710
		<u>312,680</u>	<u>239,651</u>	<u>274,217</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>1,882,568</b>	<b>1,836,187</b>	<b>1,710,990</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	1,177,689	1,018,420	1,223,284
		<u>1,177,689</u>	<u>1,018,420</u>	<u>1,223,284</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	115,850	89,200	89,200
Finance Lease Liability	15	1,538	3,333	3,332
		<u>117,388</u>	<u>92,533</u>	<u>92,532</u>
<b>Net Assets</b>		<b><u>2,942,869</u></b>	<b><u>2,762,074</u></b>	<b><u>2,841,742</u></b>
<b>Equity</b>		<b><u>2,942,869</u></b>	<b><u>2,762,074</u></b>	<b><u>2,841,742</u></b>

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

# Kelvin Road 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		1,698,912	1,237,525	1,370,767
Locally Raised Funds		1,253	(2,156)	59,394
Goods and Services Tax (net)		6,896	(1)	(1,741)
Payments to Employees		(1,209,352)	(926,600)	(1,043,034)
Payments to Suppliers		(415,248)	(316,793)	(323,288)
Interest Paid		(675)	(1,500)	(1,443)
Interest Received		78,698	38,000	26,298
Net cash from/(to) Operating Activities		160,484	28,475	86,953
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(897)	-	(400)
Purchase of Property Plant & Equipment (and Intangibles)		(109,790)	36,072	(100,829)
Purchase of Investments		(318,599)	-	(5,299)
Net cash from/(to) Investing Activities		(429,286)	36,072	(106,528)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		27,131	-	-
Finance Lease Payments		(7,789)	27,793	(7,775)
Funds Administered on Behalf of Other Parties		59,484	91,820	(148,099)
Net cash from/(to) Financing Activities		78,826	119,613	(155,874)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(189,976)</b>	<b>184,160</b>	<b>(175,449)</b>
Cash and cash equivalents at the beginning of the year	7	354,481	354,481	529,930
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>164,505</b>	<b>538,641</b>	<b>354,481</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.

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 1. Statement of Accounting Policies

#### a) Reporting Entity

Kelvin Road 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.



# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### ***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 21.

#### ***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.

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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.

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

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

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

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

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

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

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

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

#### **Interest Revenue**

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

### d) Finance Lease Payments

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

### e) Cash and Cash Equivalents

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

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### **f) Accounts Receivable**

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

### **g) 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.

### **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.

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### **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:

Board Owned Buildings	40 years
Furniture and equipment	5-10 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**

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

#### Non cash generating assets

Property, plant, and equipment held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised 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.

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.

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

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

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

### **n) 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.

### **o) 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.

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### **p) Financial Instruments**

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

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

### **q) 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.

### **r) Budget Figures**

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

### **s) 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.

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 2. Government Grants

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Government Grants - Ministry of Education	2,131,524	1,228,989	1,779,308
Teachers' Salaries Grants	2,341,329	2,089,107	2,070,170
Use of Land and Buildings Grants	728,324	671,846	671,846
Other Government Grants	33,786	8,000	11,915
	<u>5,234,963</u>	<u>3,997,942</u>	<u>4,533,239</u>

The school has opted in to the donations scheme for this year. Total amount received was \$66,426.

### 3. Locally Raised Funds

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

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
Donations & Bequests	27,832	-	1,000
Fees for Extra Curricular Activities	28,015	30,700	21,294
Trading	15,033	-	13,271
Fundraising & Community Grants	70	-	-
	<u>70,950</u>	<u>30,700</u>	<u>35,565</u>
<b>Expense</b>			
Extra Curricular Activities Costs	16,744	16,800	12,739
Trading	16,564	-	14,374
	<u>33,308</u>	<u>16,800</u>	<u>27,113</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>37,642</u>	<u>13,900</u>	<u>8,452</u>

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 4. Learning Resources

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	86,097	71,538	70,896
Equipment Repairs	2,419	1,100	1,494
Information and Communication Technology	23,180	20,500	19,916
Library Resources	2,045	2,400	2,855
Employee Benefits - Salaries	3,196,809	2,723,707	2,771,493
Staff Development	28,724	6,800	4,627
Depreciation	158,639	141,000	145,073
	<u>3,497,913</u>	<u>2,967,045</u>	<u>3,016,354</u>

### 5. Administration

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Audit Fees	7,119	7,152	6,944
Board Fees	2,890	2,500	2,075
Board Expenses	10,619	16,600	15,518
Communication	8,071	5,200	5,315
Consumables	9,884	7,000	8,654
Other	19,904	12,600	11,884
Healthy School Lunches	494,598	-	411,564
Employee Benefits - Salaries	167,906	157,900	173,978
Insurance	6,501	5,803	3,972
Service Providers, Contractors and Consultancy	16,753	8,650	8,076
	<u>744,245</u>	<u>223,405</u>	<u>647,980</u>



# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 6. Property

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	38,697	22,000	27,159
Cyclical Maintenance	27,281	27,000	11,083
Grounds	6,391	6,600	8,925
Heat, Light and Water	37,366	33,500	33,898
Rates	-	500	-
Repairs and Maintenance	38,269	27,550	40,213
Use of Land and Buildings	730,074	671,846	671,846
Security	15,882	15,000	15,685
Employee Benefits - Salaries	141,878	134,100	147,236
	<u>1,035,838</u>	<u>938,096</u>	<u>956,045</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	63,326	538,641	354,481
Short-term Bank Deposits	101,179	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>164,505</u>	<u>538,641</u>	<u>354,481</u>

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

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 8. Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Receivables	46,264	1,046	1,046
Interest Receivable	15,312	7,632	7,632
Banking Staffing Underuse	80,977	-	-
Teacher Salaries Grant Receivable	192,504	180,552	180,552
	<u>335,057</u>	<u>189,230</u>	<u>189,230</u>
Receivables from Exchange Transactions	61,576	8,678	8,678
Receivables from Non-Exchange Transactions	273,481	180,552	180,552
	<u>335,057</u>	<u>189,230</u>	<u>189,230</u>

### 9. Inventories

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Stationery	7,367	3,013	3,013
	<u>7,367</u>	<u>3,013</u>	<u>3,013</u>

### 10. Investments

The School's investment activities are classified as follows:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Current Asset			
Short-term Investments	1,650,510	1,331,911	1,331,911
Total Investments	<u>1,650,510</u>	<u>1,331,911</u>	<u>1,331,911</u>

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment/ Adjustments	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Buildings	558,765	-	-	(14,366)	(17,636)	526,763
Furniture and Equipment	542,225	66,823	(897)	11,355	(87,108)	532,399
Information and Communication Technology	92,225	46,975	-	-	(43,086)	96,114
Leased Assets	9,903	2,718	-	-	(8,234)	4,387
Library Resources	20,166	435	-	-	(2,575)	18,026
<b>Balance at 31 December 2023</b>	<b>1,223,284</b>	<b>116,951</b>	<b>(897)</b>	<b>(3,011)</b>	<b>(158,639)</b>	<b>1,177,689</b>

The net carrying value of furniture and equipment held under a finance lease is \$4,387 (2022: \$9,903).

#### 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 Cost or Valuation	2023 Accumulated Depreciation	2023 Net Book Value	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	707,028	(180,265)	526,763	719,689	(160,924)	558,765
Furniture and Equipment	1,442,812	(910,413)	532,399	1,368,905	(826,680)	542,225
Information and Communication Technology	1,211,100	(1,114,986)	96,114	1,164,125	(1,071,900)	92,225
Leased Assets	19,937	(15,550)	4,387	27,792	(17,889)	9,903
Library Resources	76,456	(58,430)	18,026	76,021	(55,855)	20,166
<b>Balance at 31 December</b>	<b>3,457,333</b>	<b>(2,279,644)</b>	<b>1,177,689</b>	<b>3,356,532</b>	<b>(2,133,248)</b>	<b>1,223,284</b>

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 12. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	12,282	14,789	14,789
Accruals	4,856	14,949	14,949
Employee Entitlements - Salaries	233,306	186,466	186,466
Employee Entitlements - Leave Accrual	9,708	7,709	7,709
	<u>260,152</u>	<u>223,913</u>	<u>223,913</u>
Payables for Exchange Transactions	260,152	223,913	223,913
	<u>260,152</u>	<u>223,913</u>	<u>223,913</u>

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	32,054	-	-
Other Revenue in Advance	8,377	-	32,856
	<u>40,431</u>	<u>-</u>	<u>32,856</u>

### 14. Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Provision at the Start of the Year	96,569	96,569	85,486
Increase to the Provision During the Year	27,281	27,000	11,083
Use of the Provision During the Year	-	(27,000)	-
Provision at the End of the Year	<u>123,850</u>	<u>96,569</u>	<u>96,569</u>
Cyclical Maintenance - Current	8,000	7,369	7,369
Cyclical Maintenance - Non current	115,850	89,200	89,200
	<u>123,850</u>	<u>96,569</u>	<u>96,569</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 the schools 10 Year Property plan.

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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	4,385	8,369	9,090
Later than One Year and no Later than Five Years	1,651	3,333	3,453
Future Finance Charges	(401)	-	(842)
	<u>5,635</u>	<u>11,702</u>	<u>11,701</u>
<b>Represented by</b>			
Finance lease liability - Current	4,097	8,369	8,369
Finance lease liability - Non current	1,538	3,333	3,332
	<u>5,635</u>	<u>11,702</u>	<u>11,701</u>

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 16. Funds Held for Capital Works Projects

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

2023	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Admin Upgrade	(29,813)	30,591	(5,120)	-	(4,342)
Junior Play Area	(10,992)	-	-	10,992	-
Middle Play Area	1,710	-	-	(1,710)	-
Block 1-6 Class Refurb	(150)	-	-	150	-
C1 & Rm23 Office Upgrade	(52,575)	24,580	-	-	(27,995)
<b>Totals</b>	<b>(91,820)</b>	<b>55,171</b>	<b>(5,120)</b>	<b>9,432</b>	<b>(32,337)</b>

#### Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Receivable from the Ministry of Education

-  
(32,337)

2022	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Admin Upgrade	65,711	-	(95,524)	-	(29,813)
Junior Play Area	(10,992)	-	-	-	(10,992)
Middle Play Area	1,710	-	-	-	1,710
Block 1-6 Class Refurb	(150)	-	-	-	(150)
C1 & Rm23 Office Upgrade	-	-	(52,575)	-	(52,575)
<b>Totals</b>	<b>56,279</b>	<b>-</b>	<b>(148,099)</b>	<b>-</b>	<b>(91,820)</b>

#### Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Receivable from the Ministry of Education

1,710  
(93,530)

### 17. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 18. Remuneration

#### *Key management personnel compensation*

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	2,890	2,075
 <i>Leadership Team</i>		
Remuneration	648,669	616,582
Full-time equivalent members	5	5
 Total key management personnel remuneration	651,559	618,657

There are 5 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 student welfare matters including stand downs, suspensions, and other disciplinary matters.

#### *Principal*

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	180 - 190	180 - 190
Benefits and Other Emoluments	5 - 10	5 - 10
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
120 - 130	1	-
110 - 120	3	2
100 - 110	3	1
	7	3

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

# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 19. Compensation and Other Benefits Upon Leaving

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

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

### 20. Contingencies

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

#### Holidays Act Compliance – Schools Payroll

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

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

#### Pay Equity Settlement Wash-up Amounts

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. The Ministry is in the process of determining wash-up payments or receipts. However, as at the reporting date, this amount had not been calculated and therefore is not recorded in these financial statements.

### 21. Commitments

#### (a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$nil (2022:\$nil).

#### (b) Operating Commitments

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



# Kelvin Road School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 22. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

#### Financial assets measured at amortised cost

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Cash and Cash Equivalents	164,505	538,641	354,481
Receivables	335,057	189,230	189,230
Investments - Term Deposits	1,650,510	1,331,911	1,331,911
Total financial assets measured at amortised cost	<u>2,150,072</u>	<u>2,059,782</u>	<u>1,875,622</u>

#### Financial liabilities measured at amortised cost

Payables	260,152	223,913	223,913
Finance Leases	5,635	11,702	11,701
Total financial liabilities measured at amortised cost	<u>265,787</u>	<u>235,615</u>	<u>235,614</u>

### 23. Events After Balance Date

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