

ROTORUA SPECIALIST SCHOOL - TE KURA PUKENGA O ROTORUA

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 1772

Principal: Lorraine Northey

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Accountant / Service Provider:

Education Services.
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ROTORUA SPECIALIST SCHOOL - TE KURA PUKENGA O ROTORUA

Annual Financial Statements - For the year ended 31 December 2023

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Rotorua Specialist School - Te Kura Pukenga o Rotorua

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.

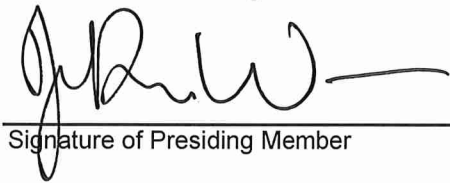
The management (including the principal and others, as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

Terena Marahi WARA

Full Name of Presiding Member



Signature of Presiding Member

Date:

17/12/2024

Lorraine Nokey

Full Name of Principal



Signature of Principal

Date:

17/12/24

Rotorua Specialist School - Te Kura Pukenga o Rotorua
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	5,286,368	4,440,954	4,759,633
Locally Raised Funds	3	38,321	21,000	48,420
Interest		72,957	15,000	22,720
Gain on Sale of Property, Plant and Equipment		11,515	-	-
Total Revenue		5,409,161	4,476,954	4,830,773
Expense				
Locally Raised Funds	3	33,613	33,500	53,679
Learning Resources	4	4,423,657	4,064,175	4,057,491
Administration	5	305,104	191,100	259,436
Interest		1,299	1,052	1,440
Property	6	239,150	194,580	209,755
Loss on Disposal of Property, Plant and Equipment		2,390	-	-
Total Expense		5,005,213	4,484,407	4,581,801
Net Surplus / (Deficit) for the year		403,948	(7,453)	248,972
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		403,948	(7,453)	248,972

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

Rotorua Specialist School - Te Kura Pukenga o Rotorua
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2023

	2023	2023	2022
Notes	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Equity at 1 January	2,098,446	1,734,448	1,835,151
Total comprehensive revenue and expense for the year	403,948	(7,453)	248,972
Contribution - Furniture and Equipment Grant	11,346	-	14,323
Equity at 31 December	2,513,740	1,726,995	2,098,446
Accumulated comprehensive revenue and expense	2,513,740	1,726,995	2,098,446
Equity at 31 December	2,513,740	1,726,995	2,098,446

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.

Rotorua Specialist School - Te Kura Pukenga o Rotorua
Statement of Financial Position
As at 31 December 2023

		2023	2023	2022
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	7	1,434,676	154,931	1,204,916
Accounts Receivable	8	366,216	314,559	239,936
GST Receivable		81,648	36,951	-
Prepayments		5,335	3,647	3,537
Investments	9	484,445	509,296	517,135
Funds Receivable for Capital Works Projects	15	49,876	-	15,364
		<u>2,422,196</u>	<u>1,019,384</u>	<u>1,980,888</u>
Current Liabilities				
GST Payable		-	-	22,608
Accounts Payable	11	424,448	199,766	208,954
Revenue Received in Advance	12	31,206	-	-
Provision for Cyclical Maintenance	13	5,049	3,866	3,905
Finance Lease Liability	14	13,870	13,233	15,134
Funds held for Capital Works Projects	15	609	-	238,785
		<u>475,182</u>	<u>216,865</u>	<u>489,386</u>
Working Capital Surplus/(Deficit)		1,947,014	802,519	1,491,502
Non-current Assets				
Property, Plant and Equipment	10	588,178	956,365	636,577
		<u>588,178</u>	<u>956,365</u>	<u>636,577</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	5,538	883	2,159
Finance Lease Liability	14	15,914	31,006	27,474
		<u>21,452</u>	<u>31,889</u>	<u>29,633</u>
Net Assets		<u>2,513,740</u>	<u>1,726,995</u>	<u>2,098,446</u>
Equity		<u>2,513,740</u>	<u>1,726,995</u>	<u>2,098,446</u>

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

Rotorua Specialist School - Te Kura Pukenga o Rotorua
Statement of Cash Flows
For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		2,645,072	2,232,106	2,492,978
Locally Raised Funds		48,369	21,000	48,420
Goods and Services Tax (net)		(104,256)	-	59,559
Payments to Employees		(1,532,412)	(101,400)	(1,678,954)
Payments to Suppliers		(584,437)	(2,286,108)	(425,380)
Interest Paid		(1,299)	(1,052)	(1,440)
Interest Received		72,215	15,000	22,720
Net cash from/(to) Operating Activities		543,252	(120,454)	517,903
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(84,107)	(243,000)	(43,244)
Purchase of Investments		(21,627)	-	(7,839)
Proceeds from Sale of Investments		54,318	-	-
Net cash from/(to) Investing Activities		(51,416)	(243,000)	(51,083)
Cash flows from Financing Activities				
Furniture and Equipment Grant		11,346	-	14,323
Finance Lease Payments		(11,084)	(14,354)	(10,821)
Funds Administered on Behalf of Other Parties		(262,338)	-	201,855
Net cash from/(to) Financing Activities		(262,076)	(14,354)	205,357
Net increase/(decrease) in cash and cash equivalents		229,760	(377,808)	672,177
Cash and cash equivalents at the beginning of the year	7	1,204,916	532,739	532,739
Cash and cash equivalents at the end of the year	7	1,434,676	154,931	1,204,916

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, and the 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.

Rotorua Specialist School - Te Kura Pukenga o Rotorua

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

Rotorua Specialist School - Te Kura Pukenga o Rotorua (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 20b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building Improvements	18-40 years
Furniture and Equipment	5-15 years
Information and Communication Technology	5 years
Motor Vehicles	5 years
Library Resources	8 years DV
Leased assets held under a Finance Lease	Term of Lease

k) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

l) 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 a 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 the surplus or deficit.

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

m) 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.

n) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

o) Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of unearned fees in relation to students, should the School be unable to provide the services to which they relate.

p) Funds Held in Trust

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

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

q) 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.

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts 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.

s) 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.

t) 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.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

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

u) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

v) 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.

w) Budget Figures

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

x) 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	2,702,989	2,207,404	2,435,900
Teachers' Salaries Grants	2,407,385	2,122,459	2,221,574
Use of Land and Buildings Grants	124,311	81,091	102,159
Other Government Grants	51,683	30,000	-
	<u>5,286,368</u>	<u>4,440,954</u>	<u>4,759,633</u>

The school has opted in to the donations scheme for this year. Total amount received was \$14,179.

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	108	-	-
Fees for Extra Curricular Activities	2,390	-	926
Fundraising & Community Grants	35,823	21,000	47,494
	<u>38,321</u>	<u>21,000</u>	<u>48,420</u>
Expense			
Extra Curricular Activities Costs	33,613	33,500	53,679
	<u>33,613</u>	<u>33,500</u>	<u>53,679</u>
<i>Surplus/(Deficit) for the year Locally Raised Funds</i>	<u>4,708</u>	<u>(12,500)</u>	<u>(5,259)</u>

4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	338,177	366,950	297,998
Employee Benefits - Salaries	3,930,879	3,555,459	3,621,400
Staff Development	17,425	15,000	7,288
Depreciation	137,176	126,766	130,805
	<u>4,423,657</u>	<u>4,064,175</u>	<u>4,057,491</u>

5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fees	5,075	4,200	4,928
Board Fees	5,180	5,000	5,030
Board Expenses	17,665	9,100	17,148
Communication	4,956	6,150	6,110
Consumables	1,918	1,550	617
Other	141,923	137,600	124,193
Employee Benefits - Salaries	8,827	8,000	13,936
Insurance	12,033	10,000	10,946
Service Providers, Contractors and Consultancy	11,868	9,500	6,876
Healthy School Lunch Programme	95,659	-	69,652
	<u>305,104</u>	<u>191,100</u>	<u>259,436</u>

6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	26,032	23,500	23,730
Consultancy and Contract Services	23,722	25,400	19,662
Cyclical Maintenance Provision	4,523	2,589	2,198
Grounds	2,173	3,000	777
Heat, Light and Water	7,734	6,500	7,477
Rates	2,575	1,800	1,991
Repairs and Maintenance	9,067	9,700	13,277
Use of Land and Buildings	124,311	81,091	102,159
Security	2,230	4,500	1,035
Employee Benefits - Salaries	36,783	36,500	37,449
	<u>239,150</u>	<u>194,580</u>	<u>209,755</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	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	896,740	154,931	691,761
Short-term Bank Deposits	537,936	-	513,155
Cash and cash equivalents for Statement of Cash Flows	<u>1,434,676</u>	<u>154,931</u>	<u>1,204,916</u>

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

Of the \$1,434,676 Cash and Cash Equivalents \$609 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	46,703	26,540	111
Receivables from the Ministry of Education	-	-	9,614
Interest Receivable	742	-	-
Banking Staffing Underuse	119,905	122,300	37,368
Teacher Salaries Grant Receivable	198,866	165,719	192,843
	<u>366,216</u>	<u>314,559</u>	<u>239,936</u>
Receivables from Exchange Transactions	47,445	26,540	111
Receivables from Non-Exchange Transactions	318,771	288,019	239,825
	<u>366,216</u>	<u>314,559</u>	<u>239,936</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	484,445	509,296	517,135
Total Investments	<u>484,445</u>	<u>509,296</u>	<u>517,135</u>

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Buildings	-	612	-	-	(7)	605
Building Improvements	321,156	2,918	-	-	(17,627)	306,448
Furniture and Equipment	106,689	20,885	(294)	-	(23,570)	103,710
Information and Communication Technology	77,125	20,926	-	-	(43,748)	54,303
Motor Vehicles	90,861	50,063	(8,920)	-	(36,917)	95,086
Leased Assets	40,746	4,683	(2,096)	-	(15,307)	28,026
Balance at 31 December 2023	636,577	100,087	(11,310)	-	(137,176)	588,178

The net carrying value of equipment held under a finance lease is \$28,026 (2022: \$40,746)

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
	\$	\$	\$	\$	\$	\$
Buildings	612	(7)	605	-	-	-
Building Improvements	531,509	(225,061)	306,448	528,591	(207,435)	321,156
Furniture and Equipment	350,899	(247,189)	103,710	330,952	(224,263)	106,689
Information and Communication Technology	355,106	(300,803)	54,303	334,182	(257,057)	77,125
Motor Vehicles	296,865	(201,779)	95,086	278,107	(187,246)	90,861
Leased Assets	60,965	(32,939)	28,026	59,092	(18,346)	40,746
Library Resources	750	(750)	-	750	(750)	-
Balance at 31 December	1,596,706	(1,008,528)	588,178	1,531,674	(895,097)	636,577

11. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	30,932	17,557	2,448
Accruals	176,305	7,198	4,932
Employee Entitlements - Salaries	198,866	165,719	192,843
Employee Entitlements - Leave Accrual	18,345	9,292	8,731
	424,448	199,766	208,954
Payables for Exchange Transactions	424,448	199,766	208,954
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	424,448	199,766	208,954

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Grants in Advance	10,099	-	-
Grants in Advance - MOE	21,107	-	-
	31,206	-	-

13. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	6,064	2,160	3,866
Increase to the Provision During the Year	2,517	2,589	2,549
Other Adjustments	2,006	-	(351)
Provision at the End of the Year	10,587	4,749	6,064
Cyclical Maintenance - Current	5,049	3,866	3,905
Cyclical Maintenance - Non current	5,538	883	2,159
	10,587	4,749	6,064

Per the cyclical maintenance schedule, the school is next expected to undertake painting works during 2024. This plan is based on the schools 10 Year Property plan / painting quotes.

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	14,472	13,233	16,358
Later than One Year and no Later than Five Years	16,210	31,006	28,074
Future Finance Charges	(898)	-	(1,824)
	29,784	44,239	42,608
Represented by			
Finance lease liability - Current	13,870	13,233	15,134
Finance lease liability - Non current	15,914	31,006	27,474
	29,784	44,239	42,608

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 projects is included under cash and cash equivalents in note 7.

	2023	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
New Classroom Base School		216803	224,164	858,578	(1,082,133)	-	609
Office Ext & Toilet Works		221062	1,541	-	(1,541)	-	-
Block E - Earthquake Strengthening		245049	(13,569)	54,684	(47,862)	-	(6,747)
LSC Works		220406	(1,795)	69,586	(110,920)	-	(43,129)
Repair Water Main Leaks Blk A		233637	10,976	-	(10,976)	-	-
Principals Office - Widen Door		215420	2,104	-	(2,104)	-	-
Totals			223,421	982,848	(1,255,536)	-	(49,267)

Represented by:

Funds Held on Behalf of the Ministry of Education	609
Funds Receivable from the Ministry of Education	(49,876)

	2022	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Door Widening & Kitchen Replacement		210166	21,404	(18,482)	(2,922)	-	-
Block E Roof Safety Works		218131	(9,747)	9,747	-	-	-
New Classroom Base School		216803	13,408	250,000	(39,244)	-	224,164
Office Ext & Toilet Works		221062	16,173	-	(14,632)	-	1,541
Block E - Earthquake Strengthening		245049	(13,569)	-	-	-	(13,569)
LSC Works		220406	(4,674)	8,250	(5,371)	-	(1,795)
SIP: C: Replace kitchen in room 4		228655	(1,429)	32,584	(31,155)	-	-
Repair Water Main Leaks Blk A		233637	-	10,976	-	-	10,976
Principals Office - Widen Door		215420	-	8,064	(5,960)	-	2,104
Totals			21,566	301,139	(99,284)	-	223,421

Represented by:

Funds Held on Behalf of the Ministry of Education	238,785
Funds Receivable from the Ministry of Education	(15,364)

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 conditions 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	5,180	5,030
<i>Leadership Team</i>		
Remuneration	521,565	488,836
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	526,745	493,866

There are 6 members of the Board excluding the Principal. The Board has held 8 full meetings of the Board in the year. The Board also has Finance (1 members) and Property (2 members) committees that met 7 and 8 times respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160 - 170	160 - 170
Benefits and Other Emoluments	-	-
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	4.00	1.00
110 - 120	3.00	2.00
	7.00	3.00

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

18. 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	-	-

19. Contingencies

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

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.

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.

20. Commitments

(a) Capital Commitments

As at 31 December 2023, the Board had capital commitments of \$700,998 (2022: \$-30,943) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
New Classroom Base School	1,426,251	1,206,469	219,782
Block E - Earthquake Strengthening	550,052	61,431	488,621
LSC Works	113,560	120,965	-7,405
Total	2,089,863	1,388,865	700,998

(b) Operating Commitments

There are no operating commitments as at 31 December 2023 (Operating commitments at 31 December 2022: nil).

21. 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	1,434,676	154,931	1,204,916
Receivables	366,216	314,559	239,936
Investments - Term Deposits	484,445	509,296	517,135
Total financial assets measured at amortised cost	<u>2,285,337</u>	<u>978,786</u>	<u>1,961,987</u>

Financial liabilities measured at amortised cost

Payables	424,448	199,766	208,954
Finance Leases	29,784	44,239	42,608
Total financial liabilities measured at amortised cost	<u>454,232</u>	<u>244,005</u>	<u>251,562</u>

22. Events After Balance Date

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

23. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.

Rotorua Specialist School - Te Kura Pukenga o Rotorua

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Terena Wara	Presiding Member	Elected	Jun 2025
Thien Truong	Parent Representative	Elected	Jun 2025
Rebekah Wong	Parent Representative	Elected	Jun 2025
Ashwiri Ram	Parent Representative	Elected	Jun 2025
Marcus Gouveia	Parent Representative	Elected	Jun 2025
Karalyn McRoy	Staff Representative	Elected	Jun 2025

Rotorua Specialist School - Te Kura Pukenga o Rotorua

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2023, the school received total Kiwisport funding of \$1,744 (excluding GST). The funding was spent on sporting endeavours.

Statement of Compliance with Employment Policy

For the year ended 31st December 2023 the Rotorua Specialist School - Te Kura Pukenga o Rotorua Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.