

# **PARUA BAY SCHOOL**

## **ANNUAL FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

**School Directory**

**Ministry Number:** 1080

**Principal:** Mark Ashcroft

**School Address:** 1396 Whangarei Heads Road, Parua Bay

**School Postal Address:** 1396 Whangarei Heads Road RD 4, Whangarei, 0174

**School Phone:** 09 436 5814

**School Email:** admin@paruabay.school.nz

**Accountant / Service Provider:**

**Education**  *Services.*  
*Dedicated to your school*

# PARUA BAY SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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## Parua Bay 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 reflect the financial position and operations of the school.

The School's 2023 financial statements are authorised for issue by the Board.

Jemima Scott-Davidson

Full Name of Presiding Member

[Signature]

Signature of Presiding Member

20/06/2024

Date:

MARK ANDREW ASHCROFT

Full Name of Principal

[Signature]

Signature of Principal

19/06/2024

Date:

**Parua Bay 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	3,367,206	2,761,051	3,084,305
Locally Raised Funds	3	126,163	75,750	105,215
Interest		25,283	7,500	8,876
Gain on Sale of Property, Plant and Equipment		-	-	88
Other Revenue		3,206	-	754
<b>Total Revenue</b>		<b>3,521,858</b>	<b>2,844,301</b>	<b>3,199,238</b>
<b>Expense</b>				
Locally Raised Funds	3	42,014	1,000	32,862
Learning Resources	4	2,274,087	2,023,513	2,133,297
Administration	5	209,028	191,083	208,872
Interest		2,598	1,862	2,646
Property	6	1,039,718	699,837	757,933
Other Expenses	7	460	-	-
Loss on Disposal of Property, Plant and Equipment		551	-	-
<b>Total Expense</b>		<b>3,568,456</b>	<b>2,917,295</b>	<b>3,135,610</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>(46,598)</b>	<b>(72,994)</b>	<b>63,628</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(46,598)</b>	<b>(72,994)</b>	<b>63,628</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.



**Parua Bay 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		798,769	576,120	718,585
Total comprehensive revenue and expense for the year		(46,598)	(72,994)	63,628
Contribution - Furniture and Equipment Grant		12,331	-	16,556
Equity at 31 December		764,502	503,126	798,769
Accumulated comprehensive revenue and expense		764,502	503,126	798,769
Equity at 31 December		764,502	503,126	798,769

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.



# Parua Bay School Statement of Financial Position

As at 31 December 2023

		2023	2023	2022
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	518,851	128,609	331,296
Accounts Receivable	9	150,954	124,208	216,068
GST Receivable		8,675	4,922	-
Prepayments		7,129	7,774	15,775
Inventories	10	2,092	36	680
Investments	11	232,500	150,152	356,842
Funds Receivable for Capital Works Projects	17	63,084	-	1,038
		983,285	415,701	921,699
<b>Current Liabilities</b>				
GST Payable		-	-	5,471
Accounts Payable	13	200,881	123,086	207,007
Revenue Received in Advance	14	6,914	7,444	49,092
Provision for Cyclical Maintenance	15	-	1,400	1,406
Finance Lease Liability	16	11,976	8,526	9,093
Funds held for Capital Works Projects	17	245,879	-	90,970
		465,650	140,456	363,039
<b>Working Capital Surplus/(Deficit)</b>		517,635	275,245	558,660
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	347,779	305,572	306,589
		347,779	305,572	306,589
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	85,439	58,790	48,544
Finance Lease Liability	16	15,473	18,901	17,936
		100,912	77,691	66,480
<b>Net Assets</b>		764,502	503,126	798,769
<b>Equity</b>		764,502	503,126	798,769

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



**Parua Bay School**  
**Statement of Cash Flows**  
For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		798,357	659,959	839,925
Locally Raised Funds		118,014	75,750	113,086
Goods and Services Tax (net)		(14,146)	-	10,393
Payments to Employees		(564,879)	(436,299)	(490,448)
Payments to Suppliers		(317,378)	(510,960)	(325,206)
Interest Paid		(2,598)	(1,862)	(2,646)
Interest Received		25,572	7,500	6,882
Net cash from/(to) Operating Activities		42,942	(205,912)	151,986
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	130
Purchase of Property Plant & Equipment (and Intangibles)		(85,070)	(66,500)	(78,427)
Purchase of Investments		(200,000)	-	(55,111)
Proceeds from Sale of Investments		324,342	-	-
Net cash from/(to) Investing Activities		39,272	(66,500)	(133,408)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		12,331	-	16,556
Finance Lease Payments		(6,876)	(9,609)	(6,216)
Funds Administered on Behalf of Other Parties		99,886	-	(108,252)
Net cash from/(to) Financing Activities		105,341	(9,609)	(97,912)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>187,555</b>	<b>(282,021)</b>	<b>(79,334)</b>
Cash and cash equivalents at the beginning of the year	8	331,296	410,630	410,630
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>518,851</b>	<b>128,609</b>	<b>331,296</b>

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.



# **Parua Bay School**

## **Notes to the Financial Statements**

### **For the year ended 31 December 2023**

#### **1. Statement of Accounting Policies**

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

Parua Bay 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 15.





*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 12.

***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 16. Future operating lease commitments are disclosed in note 22b.

*Recognition of grants*

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

**c) Revenue Recognition**

***Government Grants***

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

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

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

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

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

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

***Other Grants where conditions exist***

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

***Donations, Gifts and Bequests***

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



**Interest Revenue**

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

**d) Operating Lease Payments**

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

**e) Finance Lease Payments**

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

**f) Cash and Cash Equivalents**

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

**g) Accounts Receivable**

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

**h) Inventories**

Inventories are consumable items held for sale and comprised of Stationery Sales and Uniform Sales. 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 are depreciated over their estimated useful lives on a straight line 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	40 years
Buildings	40 years
Furniture and Equipment	5-20 years
Information and Communication Technology	4-5 years
Library Resources	8 years
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

Government Grants - Ministry of Education  
Teachers' Salaries Grants  
Use of Land and Buildings Grants  
Other Government Grants

2023	2023	2022
Actual	Budget (Unaudited)	Actual
\$	\$	\$
800,906	663,228	818,715
1,763,962	1,573,374	1,664,875
796,883	524,449	585,498
5,455	-	15,217
<b>3,367,206</b>	<b>2,761,051</b>	<b>3,084,305</b>

## 3. Locally Raised Funds

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

### Revenue

Donations & Bequests  
Fees for Extra Curricular Activities  
Trading  
Fundraising & Community Grants  
Other Revenue  
Before/after School Care

2023	2023	2022
Actual	Budget (Unaudited)	Actual
\$	\$	\$
55,579	57,100	66,605
9,787	5,500	20,136
1,380	1,000	864
39,152	12,150	16,197
2,303	-	1,413
17,962	-	-
<b>126,163</b>	<b>75,750</b>	<b>105,215</b>

### Expense

Extra Curricular Activities Costs  
Trading  
Fundraising & Community Grant Costs  
Before/after School Care

2023	2023	2022
Actual	Budget (Unaudited)	Actual
\$	\$	\$
3,676	-	12,669
1,611	1,000	1,564
3,225	-	18,629
33,502	-	-
<b>42,014</b>	<b>1,000</b>	<b>32,862</b>

Surplus for the year Locally Raised Funds

2023	2023	2022
Actual	Budget (Unaudited)	Actual
\$	\$	\$
<b>84,149</b>	<b>74,750</b>	<b>72,353</b>

## 4. Learning Resources

Curricular  
Equipment Repairs  
Library Resources  
Employee Benefits - Salaries  
Staff Development  
Depreciation  
Information Communication Technology

2023	2023	2022
Actual	Budget (Unaudited)	Actual
\$	\$	\$
112,457	112,700	101,959
2,708	5,000	2,734
2,473	3,000	2,268
2,076,009	1,819,813	1,954,266
11,056	10,700	8,244
55,967	56,300	49,639
13,417	16,000	14,187
<b>2,274,087</b>	<b>2,023,513</b>	<b>2,133,297</b>



## 5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fees	4,805	4,700	4,600
Board Fees	3,630	3,500	3,425
Board Expenses	2,300	4,600	7,297
Communication	3,676	4,200	2,576
Consumables	16,719	14,400	17,156
Operating Leases	300	300	300
Other	25,068	22,866	22,819
Employee Benefits - Salaries	131,886	104,517	120,490
Insurance	4,848	6,000	6,159
Service Providers, Contractors and Consultancy	15,796	26,000	24,050
	<u>209,028</u>	<u>191,083</u>	<u>208,872</u>

## 6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	24,528	17,200	15,142
Consultancy and Contract Services	750	-	435
Cyclical Maintenance Provision	35,489	11,585	11,498
Grounds	31,442	14,100	12,928
Heat, Light and Water	29,765	22,960	26,069
Rates	8,503	7,500	7,555
Repairs and Maintenance	24,028	14,500	7,913
Use of Land and Buildings	796,883	524,449	585,498
Security	3,039	2,200	1,927
Employee Benefits - Salaries	85,291	85,343	88,968
	<u>1,039,718</u>	<u>699,837</u>	<u>757,933</u>

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

## 7. Other Expenses

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Loss on Uncollectable Accounts Receivable	460	-	-
	<u>460</u>	<u>-</u>	<u>-</u>



## 8. Cash and Cash Equivalents

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Accounts	518,851	78,371	331,296
Short-term Bank Deposits	-	50,238	-
Cash and cash equivalents for Statement of Cash Flows	518,851	128,609	331,296

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

Of the \$518,851 Cash and Cash Equivalents \$245,879 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.

## 9. Accounts Receivable

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	9,162	25,204	6,906
Receivables from the Ministry of Education	4,751	-	77,787
Interest Receivable	2,436	731	2,725
Banking Staffing Underuse	-	1,000	-
Teacher Salaries Grant Receivable	134,605	97,273	128,650
	150,954	124,208	216,068
Receivables from Exchange Transactions	11,598	25,935	9,631
Receivables from Non-Exchange Transactions	139,356	98,273	206,437
	150,954	124,208	216,068

## 10. Inventories

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Stationery Sales	408	36	680
Uniform Sales	1,684	-	-
	2,092	36	680

## 11. Investments

The School's investment activities are classified as follows:

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	232,500	150,152	356,842
Total Investments	232,500	150,152	356,842





## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building Improvements	90,119	-	-	-	(3,678)	86,441
Furniture and Equipment	162,620	62,493	-	-	(28,187)	196,926
Information and Communication Technology	23,934	22,182	(551)	-	(11,030)	34,535
Leased Assets	25,276	11,638	-	-	(11,886)	25,028
Library Resources	4,640	1,395	-	-	(1,186)	4,849
<b>Balance at 31 December 2023</b>	<b>306,589</b>	<b>97,708</b>	<b>(551)</b>	<b>-</b>	<b>(55,967)</b>	<b>347,779</b>

The net carrying value of equipment held under a finance lease is \$25,028 (2022: \$25,276)

### 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
	\$	\$	\$	\$	\$	\$
Building Improvements	147,107	(60,666)	86,441	147,107	(56,988)	90,119
Furniture and Equipment	400,104	(203,178)	196,926	339,669	(177,049)	162,620
Information and Communication Technology	68,930	(34,395)	34,535	64,946	(41,012)	23,934
Leased Assets	44,277	(19,249)	25,028	41,797	(16,521)	25,276
Library Resources	81,734	(76,885)	4,849	80,339	(75,699)	4,640
<b>Balance at 31 December</b>	<b>742,152</b>	<b>(394,373)</b>	<b>347,779</b>	<b>673,858</b>	<b>(367,269)</b>	<b>306,589</b>

## 13. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	52,741	12,718	58,323
Accruals	4,700	4,500	4,600
Employee Entitlements - Salaries	134,605	97,273	128,650
Employee Entitlements - Leave Accrual	8,835	8,595	15,434
	<b>200,881</b>	<b>123,086</b>	<b>207,007</b>
Payables for Exchange Transactions	200,881	123,086	207,007
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<b>200,881</b>	<b>123,086</b>	<b>207,007</b>

The carrying value of payables approximates their fair value.



#### 14. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Grants in Advance - Ministry of Education	5,584	-	39,781
Other Revenue In Advance	1,330	7,444	9,311
	<u>6,914</u>	<u>7,444</u>	<u>49,092</u>

#### 15. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	49,950	48,605	38,452
Increase to the Provision During the Year	20,355	11,585	11,585
Other Adjustments	15,134	-	(87)
Provision at the End of the Year	<u>85,439</u>	<u>60,190</u>	<u>49,950</u>
Cyclical Maintenance - Current	-	1,400	1,406
Cyclical Maintenance - Non current	85,439	58,790	48,544
	<u>85,439</u>	<u>60,190</u>	<u>49,950</u>

Per the cyclical maintenance schedule, the school is next expected to undertake painting works during 2025. This plan is based on the schools 10 Year Property plan / painting quotes.

#### 16. 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	13,926	8,526	11,130
Later than One Year and no Later than Five Years	16,618	18,901	19,922
Future Finance Charges	(3,095)	-	(4,023)
	<u>27,449</u>	<u>27,427</u>	<u>27,029</u>
<b>Represented by</b>			
Finance lease liability - Current	11,976	8,526	9,093
Finance lease liability - Non current	15,473	18,901	17,936
	<u>27,449</u>	<u>27,427</u>	<u>27,029</u>



## 17. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works projects is included under cash and cash equivalents in note 8.

2023	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
ILE Block 8	203463	31,914	(25,000)	(6,914)	-	-
Drainage Remediation	218342	(1,038)	-	-	-	(1,038)
7:Create ILE Space	218336	3,688	-	-	-	3,688
Turf,Bike Track,Climbing Wall	225220	41,424	(18,545)	(42,622)	-	(19,743)
Pool Seating, School Entrance Waharoa	237562	12,456	48,162	(21,566)	-	39,052
New Outdoor Learning Environment	237561	1,488	222,718	(21,067)	-	203,139
Turf,Bike Track,Climbing Wall Stage 2	239897	-	18,545	(60,606)	-	(42,061)
Hall: Heatpump Extraction Units	246660	-	-	(242)	-	(242)
<b>Totals</b>		<b>89,932</b>	<b>245,880</b>	<b>(153,017)</b>	<b>-</b>	<b>182,795</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	245,879
Funds Receivable from the Ministry of Education	(63,084)

2022	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
ILE Block 8	203463	29,465	-	2,449	-	31,914
Drainage Remediation	218342	(1,038)	-	-	-	(1,038)
5YA - Upgrades C/MS		(34,369)	-	34,369	-	-
7:Create ILE Space	218336	13,589	(9,901)	-	-	3,688
Stairs,Ramps,Pathways	218341	(3,056)	3,056	-	-	-
Hall Upgrades Income	218339	20,800	-	(20,800)	-	-
Turf,Bike Track,Climbing Wall	225220	171,776	18,545	(148,897)	-	41,424
Smoke Detectors	234025	(400)	12,844	(12,444)	-	-
Pool Seating, School Entrance Waharoa	237562	-	13,542	(1,086)	-	12,456
New Outdoor Learning Environment	237561	-	20,000	(18,512)	-	1,488
<b>Totals</b>		<b>196,767</b>	<b>58,086</b>	<b>(164,921)</b>	<b>-</b>	<b>89,932</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	90,970
Funds Receivable from the Ministry of Education	(1,038)

## 18. Related Party Transactions

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

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and 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.



## 19. Remuneration

### Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	3,630	3,425
<i>Leadership Team</i>		
Remuneration	384,796	358,989
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	388,426	362,414

There are 6 members of the Board excluding the Principal. The Board has held 11 full meetings of the Board in the year. The Board also has Finance (2 members) and Property (1 members) committees that met 2 and 0 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	150 - 160
Benefits and Other Emoluments	4 - 5	4 - 5
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	2.00	3.00
110 - 120	2.00	-
	4.00	3.00

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

## 20. Compensation and Other Benefits Upon Leaving

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

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



## 21. Contingencies

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

The school have put in an insurance claim for shade sails destroyed during Cyclone Gabrielle in March 2023. The Board expect this to be accepted by the insurance agency and paid to the school in 2024.

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.

## 22. Commitments

### (a) Capital Commitments

As at 31 December 2023, the Board had capital commitments of \$529,155 (2022: \$874,768) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
7:Create ILE Space	120,308	106,719	13,589
Turf,Bike Track,Climbing Wall	202,036	198,911	3,125
Pool Seating, School Entrance Waharoa	135,423	22,652	112,771
New Outdoor Learning Environment	287,377	39,579	247,798
Turf,Bike Track,Climbing Wall Stage 2	202,036	60,606	141,430
Hall: Heatpump Extraction Units	10,684	242	10,442
<b>Total</b>	<b>957,864</b>	<b>428,709</b>	<b>529,155</b>

### (b) Operating Commitments

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

(a) operating lease of photocopiers;

	2023 Actual \$	2022 Actual \$
No later than One Year	125	300
Later than One Year and No Later than Five Years	-	125
Later than Five Years	-	-
	<b>125</b>	<b>425</b>

The total lease payments incurred during the period were \$300 (2022: \$300).



## 23. Financial Instruments

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

### Financial assets measured at amortised cost

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	518,851	128,609	331,296
Receivables	150,954	124,208	216,068
Investments - Term Deposits	232,500	150,152	356,842
Total financial assets measured at amortised cost	902,305	402,969	904,206

### Financial liabilities measured at amortised cost

Payables	200,881	123,086	207,007
Finance Leases	27,449	27,427	27,029
Total financial liabilities measured at amortised cost	228,330	150,513	234,036

## 24. Events After Balance Date

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

## 25. Comparatives

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



## Parua Bay School

### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Jemma Scott-Davidson	Presiding Member	Elected	Sep 2025
Mark Ashcroft	Principal	ex Officio	
Bronwen Gilmour	Parent Representative	Elected	Sep 2025
Tony Horton	Parent Representative	Elected	Sep 2025
Jenna Whaikawa-Tagi	Parent Representative	Elected	Sep 2025
Amanda St John	Parent Representative	Elected	Sep 2025
Lynfa Harris	Staff Representative	Elected	Sep 2025

## **Parua Bay School**

### **Kiwisport**

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2023, the school received total Kiwisport funding of \$4,571 (excluding GST). The funding was spent on sporting endeavours.

## **Statement of Compliance with Employment Policy**

For the year ended 31st December 2023 the Parua Bay School Board:

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



# Statement of Variance Reporting

<b>School Name:</b>		Parua Bay School	<b>School Number:</b> 1080
<b>Strategic Aim:</b>	Grow high quality staff; grow learner engagement; grow community engagement.		
<b>Annual Aim:</b>	Improve outcomes for students in mathematics; reduce disparity for Māori akonga.		
<b>Target:</b>	Improve outcomes for students in mathematics; reduce disparity for Māori akonga – a qualitative 'target'.		
<b>Baseline Data:</b>	<b>2022 end of year data: All Students - Reading (at/above) 83%; Writing (at/above) 84%; Mathematics(at/above) 82%</b> <b>2022 Reading (at/above):</b> Boys 80%; Girls 87%; Māori 74%. <b>2022 Writing (at/above):</b> Boys 81%; Girls 88%; Māori 77%. <b>2022 Mathematics (at/above):</b> Boys 85%; Girls 79%; Māori 74%.		

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ul style="list-style-type: none"> <li>Mathematics - focus on mixed ability and problem solving contexts.</li> <li>Further use of the PaCT tool to assess mathematics.</li> <li>Russell Bishop 'Teaching to the North-East' – analysis of practice via video recording – aimed at reducing disparity for marginalised learners.</li> <li>BSLA literacy approach for year 1@2 students – PLD for staff + implementation of the programme.</li> <li>Beginnings of 'Writer's Toolbox' (writing) in some classes.</li> <li>Beginnings of 'The Code' (spelling).</li> <li>Teaching teams tracked and discussed 'target' students throughout the year.</li> <li>The Learning Support Team (LSC/SENCO/RTLB) worked with teachers to support inclusion and learning of akonga with higher/specific needs.</li> </ul>	<p><b>2023 End of Year Data:</b></p> <p><b>Reading</b> (at/above) All 80.8% 253/313 Boys 77.7% 129/166 Girls 84.4% 124/147 Māori 70.5% 55/78</p> <p><b>Writing</b> (at/above) All 85.3% 267/313 Boys 81.9% 136/166 Girls 89.1% 131/147 Māori 78.2% 61/78</p> <p><b>Mathematics</b> (at/above) All 90.1% 282/313 Boys 92.2% 153/166 Girls 87.8% 129/147 Māori 83.3% 65/78</p> <p>Compared to 2022 baseline date: <b>Reading overall has seen a slight drop</b> in the % of students 'at or above' the expected level for their age. <b>Writing overall has seen a slight increase</b> in the % of students 'at or above' the expected level for their age. <b>Mathematics overall has seen a notable increase</b> in the % of students 'at or above' for their age.</p>	<ul style="list-style-type: none"> <li>Mathematics PLD has made a measurable improvement.</li> <li>Use of the MoE PaCT tool to analyse mathematics has improved the breadth of mathematics assessment and moderation tools.</li> <li>Russell Bishop 'Teaching to the North-East' PLD and use of the 'Iris' filming software has enabled teaching staff to have more tools to reflect on practice + impacts on Māori and marginalised learners.</li> <li>Potentially less focus was placed on reading assessment and moderation whilst placing more focus on mathematics PLD.</li> </ul>	<ul style="list-style-type: none"> <li>Consolidate mathematics approaches.</li> <li>Further use of PaCT for mathematics summative and formative assessment.</li> <li>Increase moderation in mathematics, reading and writing.</li> <li>Consolidate teachers filming and reflecting on practice, including the use of Russell Bishop 'profile' criteria – to continue efforts to reduce disparity.</li> <li>Ensure sustainable provision/training of 'impact coaches'.</li> <li>Explore 'Leading to the North-East' to systemically reduce disparity.</li> <li>Consolidate BSLA practice.</li> <li>Make further connections with Whānau to support students' reading at home.</li> <li>Instigate and consolidate Writer's Toolbox writing practice across Years 1 to 8.</li> <li>Review reading provision, assessment and moderation.</li> </ul>

				<ul style="list-style-type: none"> <li>Implement 'The Code' across Years 3 to 8 to assist spelling.</li> <li>Further contextualise learning in a localised curriculum, including the use of the histories curriculum, to additionally engage learners.</li> <li>Board funding of an additional teacher to off-set reductions in staffing entitlement and maintain reasonable staff:student ratios.</li> <li>Continued focus on monitoring of attendance and early actions to support students and families with attendance issues.</li> <li>Ensure 'Hero' SMS levels are consistent with refreshed curriculum levels.</li> </ul>
Planning for next year:				
See 'Evaluation' column.				



# Parua Bay School

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Next review: Term 1 2027

## Te Tiriti o Waitangi

Te Tiriti o Waitangi is one of Aotearoa New Zealand's founding documents and represents the binding contract between Māori and the Crown. Parua Bay School recognises our role and responsibility to honour and give effect to te Tiriti o Waitangi.

Under the Education and Training Act 2020, a primary objective of the board of Parua Bay School is giving effect to te Tiriti o Waitangi. We do this by:

- working to ensure our plans, policies, and local curriculum reflect local tikanga Māori, mātauranga Māori, and te ao Māori
- taking all reasonable steps to make instruction available in tikanga Māori and te reo Māori
- achieving **equitable outcomes** for Māori students
- providing opportunities for learners to appreciate the importance of te Tiriti o Waitangi and te reo Māori.


Parua Bay School works from the principles of partnership, protection, and participation to meet our obligations under te Tiriti o Waitangi. These principles reflect the three articles of te Tiriti.

### Partnership

Parua Bay School aims to work in partnership with our local Māori community to support rangatiratanga/self-determination. We actively seek the guidance of our local Māori community to help us better meet the needs of our Māori students and ensure they experience educational success as Māori.

We consult with our local Māori community on the development of our charter/strategic plan to make sure it reflects and upholds appropriate tikanga Māori and te ao Māori. We seek opportunities to collaborate with Māori to invest in, develop, and deliver Māori-medium learning (NELP Priority 2).

### Protection

Parua Bay School actively protects and upholds mātauranga Māori, te reo Māori, and tikanga Māori, and ensures they are meaningfully incorporated into the everyday life of our school (NELP Objective 5). We actively engage with **Ka Hikitia Ka Hāpaitia** .

We take all reasonable steps to make instruction available in te reo Māori and tikanga Māori.

We support our teachers to build their teaching capability, knowledge, and skills in te reo Māori and tikanga Māori. We provide opportunities for teachers to develop their understanding and practice of culturally responsive teaching that takes into account ākonga contexts (NELP Priority 6).

### Participation

Parua Bay School has high aspirations for every student. We encourage the participation and engagement of students and their whānau in all aspects of school life.

Our relationships with our school community help us meet the needs of all students and sustain their identities, languages, and cultures. The participation of whānau and our wider Māori community actively informs the way we design and deliver education to ensure Māori students experience educational success as Māori (NELP Priority 2).

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This policy aligns with **NELP** Objective 1: Learners at the Centre, Objective 2: Barrier Free Access, and Objective 3: Quality Teaching and Leadership.

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### Related topics

- **Māori Educational Achievement**
- **School Planning and Reporting**
- **Equal Employment Opportunities**
- **Learning Support**
- **Inclusive Education**

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### Legislation

- Education and Training Act 2020

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### Resources

- Ministry of Education | Te Tāhuhu o te Mātauranga: **The Education and Training Act 2020: Te Tiriti o Waitangi** [↗](#)
- TKI | Te Kete Ipurangi: **Treaty of Waitangi principle** [↗](#)
- Victoria University of Wellington | Te Herenga Waka: **Te Tiriti o Waitangi Guide** [↗](#)

**Release history:** Term 4 2022, Term 4 2020, Term 2 2017

**Last review**

Term 4 2022

**Topic type**

Core

**INDEPENDENT AUDITOR'S REPORT  
TO THE READERS OF PARUA BAY SCHOOL'S  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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The Auditor-General is the auditor of Parua Bay School (the School). The Auditor-General has appointed me, Steve Bennett, using the staff and resources of Bennett & Associates, 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 20, that comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2023; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 20 June 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 of Trustees 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, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

### **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 Novopay 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 comprises the Analysis of Variance, the Kiwisport Statement, the List of Trustees and Statement of Responsibility but does not include the financial statements, and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

### **Independence**

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

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



**Steve Bennett**  
**BENNETT & ASSOCIATES**  
On behalf of the Auditor-General  
Whangarei, New Zealand

