

PAPAKAIO SCHOOL



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

School Directory

Ministry Number: 3798

Principal: Damian Brown

School Address: 17 Papakaio Road, Oamaru

School Address: 17 Papakaio Road RD 15K, Oamaru, 9494

School Phone: 03 431 7851

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Accountant / Service Provider:

Solutions & Services
Collaborative School Administration

PAPAKAIO SCHOOL

Annual Financial Statements - For the year ended 31 December 2024

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Papakaio School

Statement of Responsibility

For the year ended 31 December 2024

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 2024 fairly reflects the financial position and operations of the School.


The School's 2024 financial statements are authorised for issue by the Board.

EDWARD JOSEPH FINLAY
Full Name of Presiding Member


Signature of Presiding Member

12/5/25.
Date:

Damian Brown
Full Name of Principal


Signature of Principal

12-5-2025
Date:

Papakao School

Members of the Board

For the year ended 31 December 2024

Name	Position	How Position Gained	Term Expired/ Expires
Ed Finlay	Presiding Member	Elected	Sep 2025
Damian Brown	Principal	ex Officio	
Jessica Wright	Parent Representative	Elected	Sep 2025
Cat Cochrane	Staff Representative	Elected	Sep 2025
Stacey Butson	Parent Representative	Elected	Sep 2025
Hayley Easton	Parent Representative	Elected	May 2026
Joseph Laming	Parent Representative	Elected	May 2026
Fiona Nelson	Parent Representative	Elected	Dec 2024

Papakaio School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2024

		2024	2024	2023
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	1,464,722	1,136,870	1,344,456
Locally Raised Funds	3	169,718	133,300	98,495
Interest		3,640	2,500	3,145
Total Revenue		1,638,080	1,272,670	1,446,096
Expense				
Locally Raised Funds	3	20,925	15,450	19,594
Learning Resources	4	1,056,640	854,656	957,972
Administration	5	112,378	101,200	94,031
Interest		864	-	685
Property	6	415,002	277,697	362,085
Loss on Disposal of Property, Plant and Equipment		6,107	-	67
Total Expense		1,611,916	1,249,003	1,434,434
Net Surplus for the year		26,164	23,667	11,662
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		26,164	23,667	11,662

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

Papakaio School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2024

	Notes	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Equity at 1 January		308,739	308,739	283,387
Total comprehensive revenue and expense for the year		26,164	23,667	11,662
Contribution - Furniture and Equipment Grant		-	-	13,690
Equity at 31 December		334,903	332,406	308,739
Accumulated comprehensive revenue and expense		334,903	332,406	308,739
Equity at 31 December		334,903	332,406	308,739

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.

Papakaio School

Statement of Financial Position

As at 31 December 2024

		2024	2024	2023
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	122,954	155,868	110,101
Accounts Receivable	8	74,887	62,626	62,626
Prepayments		37,888	37,219	37,219
		<u>235,729</u>	<u>255,713</u>	<u>209,946</u>
Current Liabilities				
GST Payable		3,090	11,588	11,588
Accounts Payable	10	103,042	79,329	79,329
Revenue Received in Advance	11	2,607	10,610	10,610
Provision for Cyclical Maintenance	12	34,834	25,901	25,901
Finance Lease Liability	13	4,961	5,266	5,266
Funds held for Capital Works Projects	14	-	6,902	6,902
		<u>148,534</u>	<u>139,596</u>	<u>139,596</u>
Working Capital Surplus		<u>87,195</u>	<u>116,117</u>	<u>70,350</u>
Non-current Assets				
Property, Plant and Equipment	9	268,968	248,184	267,284
		<u>268,968</u>	<u>248,184</u>	<u>267,284</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	12	12,655	27,583	24,583
Finance Lease Liability	13	8,605	4,312	4,312
		<u>21,260</u>	<u>31,895</u>	<u>28,895</u>
Net Assets		<u>334,903</u>	<u>332,406</u>	<u>308,739</u>
Equity		<u>334,903</u>	<u>332,406</u>	<u>308,739</u>

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

Papakao School

Statement of Cash Flows

For the year ended 31 December 2024

		2024	2024	2023
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		350,345	303,108	363,582
Locally Raised Funds		160,658	133,300	106,604
Goods and Services Tax (net)		(8,498)	-	5,714
Payments to Employees		(231,026)	(184,141)	(248,605)
Payments to Suppliers		(217,717)	(193,100)	(189,118)
Interest Paid		(864)	-	(685)
Interest Received		3,640	2,500	3,145
Net cash from Operating Activities		56,538	61,667	40,637
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(33,757)	(15,900)	(37,178)
Net cash (to) Investing Activities		(33,757)	(15,900)	(37,178)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	13,690
Finance Lease Payments		(3,026)	-	(3,621)
Funds Administered on Behalf of Other Parties		(6,902)	-	17,875
Net cash (to)/from Financing Activities		(9,928)	-	27,944
Net increase in cash and cash equivalents		12,853	45,767	31,403
Cash and cash equivalents at the beginning of the year	7	110,101	110,101	78,698
Cash and cash equivalents at the end of the year	7	122,954	155,868	110,101

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, use of land and buildings grant and expense, and other notional items have been excluded.

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

Papakaio School

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

1.1. Reporting Entity

Papakaio 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.

1.2. Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2024 to 31 December 2024 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 expenditure threshold of \$33 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 12.

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 9.

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 13. Future operating lease commitments are disclosed in note 19b.

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.

1.3. 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 to which they relate. 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 to which 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 recognised as 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.

1.4. 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.

1.5. 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.

1.6. 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.

1.7. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The school's 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.

1.8. 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	10–20 years
Furniture and Equipment	10–15 years
Information and Communication Technology	5 years
Leased Assets held under a Finance Lease	Term of Lease
Library Resources	12.5% Diminishing value

1.9. Impairment of property, plant and equipment

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

Non cash generating assets

Property, plant, and equipment held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised as the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in 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.

1.10. 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.

1.11. 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, 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.

1.12. 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.

1.13. Funds held for Capital Works

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

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

1.14. 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 of the School, makes up the most significant part of the Board's responsibilities outside the 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 variety of periods in accordance with the conditional assessment of each area of the school. 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.

1.15. Financial Instruments

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

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

1.16. 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.

1.17. Budget Figures

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

1.18. 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

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	357,821	305,067	378,529
Teachers' Salaries Grants	775,369	625,706	681,413
Use of Land and Buildings Grants	331,532	206,097	284,264
Other Government Grants	-	-	250
	<u>1,464,722</u>	<u>1,136,870</u>	<u>1,344,456</u>

3. Locally Raised Funds

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

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations and Bequests	88,472	59,500	60,197
Fees for Extra Curricular Activities	4,720	4,200	7,231
Trading	1,586	500	1,841
Fundraising and Community Grants	70,500	67,000	23,381
Other Revenue	4,440	2,100	5,845
	<u>169,718</u>	<u>133,300</u>	<u>98,495</u>
Expenses			
Extra Curricular Activities Costs	10,769	8,950	12,523
Trading	3,260	500	2,417
Transport (Local)	6,896	6,000	4,654
	<u>20,925</u>	<u>15,450</u>	<u>19,594</u>
<i>Surplus for the year Locally raised funds</i>	<u>148,793</u>	<u>117,850</u>	<u>78,901</u>

4. Learning Resources

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	89,607	61,150	39,269
Information and Communication Technology	6,002	7,000	5,975
Employee Benefits - Salaries	904,597	718,706	854,826
Other Learning Resources	-	300	1,859
Staff Development	19,605	25,000	19,358
Depreciation	36,829	42,500	36,685
	<u>1,056,640</u>	<u>854,656</u>	<u>957,972</u>

5. Administration

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fees	8,725	5,000	4,370
Board Fees and Expenses	3,424	5,950	5,018
Other Administration Expenses	34,513	24,150	25,041
Employee Benefits - Salaries	58,606	57,100	54,753
Insurance	3,319	4,000	1,641
Service Providers, Contractors and Consultancy	3,791	5,000	3,208
	<u>112,378</u>	<u>101,200</u>	<u>94,031</u>

6. Property

	2024	2024 Budget (Unaudited)	2023
	Actual \$	\$	Actual \$
Cyclical Maintenance	5,282	3,000	5,154
Adjustment to the Provision- Other Adjustments	(973)	-	(1,929)
Heat, Light and Water	11,867	10,000	10,290
Rates	631	600	587
Repairs and Maintenance	17,673	12,000	12,502
Use of Land and Buildings	331,532	206,097	284,264
Other Property Expenses	8,172	10,000	8,897
Employee Benefits - Salaries	40,818	36,000	42,320
	<u>415,002</u>	<u>277,697</u>	<u>362,085</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

	2024	2024 Budget (Unaudited)	2023
	Actual \$	\$	Actual \$
Bank Accounts	122,954	155,868	110,101
Cash and Cash Equivalents for Statement of Cash Flows	<u>122,954</u>	<u>155,868</u>	<u>110,101</u>

Of the \$122,954 Cash and Cash Equivalents, \$2,461 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

Of the \$122,954 Cash and Cash Equivalents, \$146 of Other Revenue in Advance is held by the School, as disclosed in note 11.

8. Accounts Receivable

	2024	2024 Budget (Unaudited)	2023
	Actual \$	\$	Actual \$
Receivables from the Ministry of Education	4,246	2,475	2,475
Teacher Salaries Grant Receivable	70,641	60,151	60,151
	<u>74,887</u>	<u>62,626</u>	<u>62,626</u>
Receivables from Non-Exchange Transactions	74,887	62,626	62,626
	<u>74,887</u>	<u>62,626</u>	<u>62,626</u>

9. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2024	\$	\$	\$	\$	\$	\$
Building Improvements	163,408	23,055	(436)	-	(7,275)	178,752
Furniture and Equipment	65,109	2,816	-	-	(14,739)	53,186
Information and Communication Technology	10,553	5,835	-	-	(6,846)	9,542
Leased Assets	9,625	9,909	-	-	(5,978)	13,556
Library Resources	18,589	3,004	(5,670)	-	(1,991)	13,932
Balance at 31 December 2024	<u>267,284</u>	<u>44,619</u>	<u>(6,106)</u>	<u>-</u>	<u>(36,829)</u>	<u>268,968</u>

The net carrying value of furniture and equipment held under a finance lease is \$13,556 (2023: \$9,625)

Restrictions

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

	2024	2024	2024	2023	2023	2023
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	284,596	(105,844)	178,752	262,125	(98,717)	163,408
Furniture and Equipment	202,957	(149,771)	53,186	200,141	(135,032)	65,109
Information and Communication Technology	152,317	(142,775)	9,542	149,136	(138,583)	10,553
Leased Assets	21,420	(7,864)	13,556	23,088	(13,463)	9,625
Library Resources	48,507	(34,575)	13,932	65,474	(46,885)	18,589
Balance at 31 December	<u>709,797</u>	<u>(440,829)</u>	<u>268,968</u>	<u>699,964</u>	<u>(432,680)</u>	<u>267,284</u>

10. Accounts Payable

	2024	2024	2023
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	19,869	5,309	5,309
Accruals	8,725	4,775	4,775
Banking Staffing Overuse	-	1,959	1,959
Employee Entitlements - Salaries	71,332	64,166	64,166
Employee Entitlements - Leave Accrual	3,116	3,120	3,120
	<u>103,042</u>	<u>79,329</u>	<u>79,329</u>
Payables for Exchange Transactions	<u>103,042</u>	<u>79,329</u>	<u>79,329</u>
	<u>103,042</u>	<u>79,329</u>	<u>79,329</u>

The carrying value of payables approximates their fair value.

11. Revenue Received in Advance

	2024	2024	2023
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	2,461	2,358	2,358
Other Revenue in Advance	146	8,252	8,252
	<u>2,607</u>	<u>10,610</u>	<u>10,610</u>

12. Provision for Cyclical Maintenance

	2024	2024	2023
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	50,484	50,484	47,259
Increase to the Provision During the Year	5,282	3,000	5,154
Use of the Provision During the Year	(7,304)	-	-
Other Adjustments	(973)	-	(1,929)
Provision at the End of the Year	<u>47,489</u>	<u>53,484</u>	<u>50,484</u>
Cyclical Maintenance - Current	34,834	25,901	25,901
Cyclical Maintenance - Non current	12,655	27,583	24,583
	<u>47,489</u>	<u>53,484</u>	<u>50,484</u>

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

13. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

	2024	2024	2023
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No later than one year	5,853	5,857	5,857
Later than One Year	9,655	4,605	4,605
Future Finance Charges	(1,942)	(884)	(884)
	<u>13,566</u>	<u>9,578</u>	<u>9,578</u>
Represented by:			
Finance lease liability - Current	4,961	5,266	5,266
Finance lease liability - Non-current	8,605	4,312	4,312
	<u>13,566</u>	<u>9,578</u>	<u>9,578</u>

14. Funds Held for Capital Works Projects

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

	2024	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Combined 5YA & SIP Project - 225324		6,902	18,382	(25,284)	-	-
Totals		6,902	18,382	(25,284)	-	-

	2023	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Combined 5YA & SIP Project - 225324		6,902	-	-	-	6,902
MOE Learning Support MODS - 231890		(17,875)	17,875	-	-	-
Totals		(10,973)	17,875	-	-	6,902

Represented by:

Funds Held on Behalf of the Ministry of Education

6,902

15. Related Party Transactions

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

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

16. Remuneration

Key management personnel compensation

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

	2024 Actual	2023 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,330	3,185
<i>Leadership Team</i>		
Remuneration	353,675	352,026
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	357,005	355,211

There are seven members of the Board excluding the Principal. The Board held eight full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare 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:

	2024 Actual	2023 Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	130 - 140
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2024 FTE Number	2023 FTE Number
100 - 110	2.00	2.00
110 - 120	1.00	1.00
	3.00	3.00

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

17. 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 the number of persons to whom all or part of that total was payable was as follows:

	2024 Actual	2023 Actual
Total	\$ -	\$ -
Number of People	-	-

18. Contingencies

There are no contingent liabilities and no contingent assets except as noted below as at 31 December 2024 (Contingent liabilities and assets at 31 December 2023: nil).

Holidays Act Compliance – Schools Payroll

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

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

Pay Equity Settlement Wash Up amounts

In 2024 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. At the date of signing the financial statements the School's final entitlement for the year ended 31 December 2024 has not yet been advised. The School has therefore not recognised an asset or a liability regarding this funding wash-up, which is expected to be settled in July 2025.

19. Commitments

(a) Capital Commitments

At 31 December 2024, the Board had capital commitments of \$nil (2023:\$25,377) as a result of entering the following contracts:

(b) Operating Commitments

As at 31 December 2024 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2023: nil)

20. Financial Instruments

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

Financial assets measured at amortised cost

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Cash and Cash Equivalents	122,954	155,868	110,101
Receivables	74,887	62,626	62,626
Total Financial assets measured at amortised cost	197,841	218,494	172,727

Financial liabilities measured at amortised cost

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Payables	103,042	79,329	79,329
Finance Leases	13,566	9,578	9,578
Total Financial liabilities measured at amortised Cost	116,608	88,907	88,907

21. Events After Balance Date

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

22. Comparatives

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



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PAKAKIAO SCHOOL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Auditor-General is the auditor of Pakakiao School (the School). The Auditor-General has appointed me, Heidi Rautjoki, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 3 to 16 that comprise the statement of financial position as at 31 December 2024, 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 2024 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 Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 12 May 2025. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities arise from section 134 of the Education and Training Act 2020.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on the pages accompanying the financial statements but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

A handwritten signature in blue ink, appearing to read "H Rautjoki".

Heidi Rautjoki
for Deloitte Limited
On behalf of the Auditor-General
Dunedin, New Zealand

PAPAKAIO SCHOOL

Principal – Damian Brown

15 KRD, OAMARU, 9494 Ph: (03) 431 7851 Cell: 021 139 8876
Email principal@papakaio.school.nz



Heidi Rautjoki
Deloitte Limited
PO Box 1245
Dunedin, 9054

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2024

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of Papakaio School (the School) for the year ended 31 December 2024 for the purpose of expressing an independent opinion about whether the financial statements:

- present fairly, in all material respects:
 - the financial position as at 31 December 2024; and
 - the financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

General representations

To the best of our knowledge and belief:

- the resources and activities, under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is, we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud or error, and which enables the preparation of the financial statements that are free from material misstatement whether due to fraud or error (*a requirement of paragraph NZ40.1(a) in ISA (NZ) 240*).

Representations for the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 134 of the Education and Training Act 2020 and, in particular, that the financial statements:
 - present fairly, in all material respects:
 - the financial position as at 31 December 2024; and
 - the financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

- we believe the methods, significant assumptions, and data used in making and supporting the accounting estimates and the related disclosures in the financial statements are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
 - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with the financial statements, and the other information does not contain any material misstatements.

Going concern basis of accounting

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2024. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from date of signing the financial statements, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, that we can reasonably be expected to be aware of concerning the adoption of the going concern basis of accounting by the School.

Publication of the financial statements and related audit report on a website

We confirm that we are responsible for the electronic presentation of the audited financial statements, and:

- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.
- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully



Ed Finlay

Presiding Member



Damian Brown

Principal

12th May 2025

Dear Partner

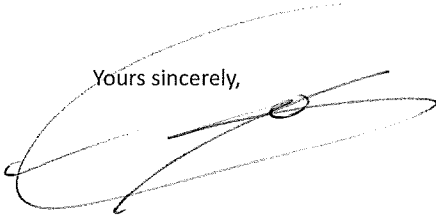
Confirmation of Subsequent Events

We have considered whether there have been any specific events that have occurred subsequent to the date of the balance sheet of 31 December 2024 that may have an effect on the financial information and disclosures contained in the financial statements of the School.

We note the following:

- There have been no events subsequent to the balance sheet date that would require adjustment to the financial information and disclosures contained in the financial statements;
- We are not aware of any events that have occurred or are likely to occur that bring into question the appropriateness of accounting policies used in preparing the financial statements;
- There have been no unusual accounting adjustments been made or contemplated after the balance-sheet date;
- There have been no significant changes relevant to the measurement of estimates or provisions made in the financial statements;
- There have been no legal proceedings commence subsequent to balance date or any changes regarding the status of legal matters not settled at balance date;
- There have been no new commitments, borrowings or guarantees entered into since balance date; and
- There have been no significant impairment, sale or acquisition of assets planned or occurred (including those that relate to our assessment of the impact of natural disasters such as cyclones or floods).

Yours sincerely,

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal stroke and a small circle.

Presiding Member
Board of Trustees