



# Otamatea High School

*Te Kura Tuarua o Otamatea*

## Annual Report & Financial Statements 2023



# Otamatea High School

*Te Kura Tuarua o Otamatea*

Analysis of Variance  
2024 for the 2023  
academic year

Otamatea High School, 021

Focus: Teaching and Learning				
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)	
Establish 6 new classrooms at the start of 2023 and secure additional temporary classrooms for 2024	6 new classrooms were established on the school field next to G-block, known as K-block.	Delayed by 1 week.	Next step is to complete the Master Planning.	
Progress 5YA projects, prioritising all 2022/2023 projects	Creation of 2nd food technology classroom, and commercial kitchen in H-block started.	Other projects to begin in 2024	Schoolwide Camera system plus bell system upgrade planned for 2024.	
Develop a plan for a new build to cater for long term roll growth	Master Planning process started	Will take 6 months to complete	To be completed in 2024	
Complete the LSPM project	Delayed by the MOE	Cost was significantly higher than what was budgeted	Some of the LSPM projects to be completed in 2024 (staged)	
Implement the BaCtS Plan for senior students and review for 2024	All Y10 to 13 students brought CBs to school	No variance - although the school provided CBs to some students who could not afford their own.	To continue into 2024	
Deliver the internal Ka Ora, Ka Ako - Healthy Lunches delivery model from Term 3 and review for 2024	Delayed to 2024	Delay in H-block project meant no commercial kitchen available.	To be completed in 2024	
Review and develop new model for the school's administration requirements	Two new positions created from one existing position: Attendance/Pastoral/H&S manager, Student Support Manager	New positions started in 2024	Review success of these new positions in 2024	

Identify target students early and put programmes in place to address the needs of these students (prioritising literacy and numeracy).	Throughout the year students were identified who needed support - support was given via Y7-9 literacy classes, numicon, STEPs and	N/A	Continue to embed these practices.
Introduce the Year 8 CAM curriculum-based assessments for value-added feedback in English, mathematics and science, using BASE 7 as baseline data.	Year 8 CAM value added tests were administered. CAM provided thorough 'value added' analysis for all students who also completed the BASE 7 testing at the start of Year 7 in 2022.	N/A	Continue with this style of testing for another year, then review.
Lesson by lesson unit plans completed for all subjects Y7-8	Lesson by lesson unit plans were developed for Y7-8 subjects. However, a comprehensive check of these has yet to be carried out.	Departments have endeavoured to carry this out. However some units are more fully planned out than others.	DP to complete a stock take of Year 7-8 units to check that expectations have been met across the board and inform HODs where improvements are required.
Embed the new year 9 graduate certificate including reporting requirements.	This was completed but it would be useful if a method of checking the running total of credits of students could be developed. More promotion of the system would also be beneficial.	N/A	Senior administrator to work with Kamar to see if a credit tally is possible. Year level dean, DP and Y9 teachers to regularly mention progress towards the certificate. Y9 students could set goals with Academic mentor re endorsements and credits.
Develop the new year 10 graduate diploma with DAME type grades to replace curriculum level grades.	This was developed and used but we could promote the system more. It would also be useful for students to be able to track their credit tally.	N/A	Senior administrator to work with Kamar to see if a credit tally is possible. Year level dean, DP and Y10 teachers to regularly mention progress towards the certificate. Y10 students could set goals with Academic mentor re endorsements and credits.
Introduce the Year 10 CAM curriculum-based assessments for value-added feedback in English,	Year 10 CAM value added tests were administered. CAM provided thorough 'value added' analysis for all students who also completed the BASE 9 testing at the start of Year 9 in 2022.	N/A	Continue with this style of testing for another year, then review.

mathematics and science, using BASE 9 as baseline data.	Of the 106 Y10 students on our roll for at least some of 2023: 62 students attempted the reading standard with 89% achieving, 58 students attempted the writing standard with 60% achieving, and 84 students attempted the numeracy standard with 48% achieving.	N/A	2024 Year 11 students who have not yet achieved the literacy and numeracy co-requisites will attempt them this year - twice if they do not achieve them the first time. Level 1 teachers will need to to prepare these students for these assessments. Some Y10 students will also attempt these standards in 2024.
Lesson by lesson unit plans completed for all subjects Y9-10	Lesson by lesson unit plans were developed or improved for Y9-10 subjects. However, a comprehensive check of these has yet to be carried out.	Departments have endeavoured to carry this out. However, some units are more fully planned out than others.	DP to complete a stock take of Year 9-10 units to check that expectations have been met across the board and inform HODs where improvements are required.
Design new NCEA level 1 courses. Review new Level 2 NCEA Achievement Standards.	NCEA level 1 courses have been designed.	Some subjects had not had enough L2 NCEA resources released last year to complete the L2 standard review.	Design NCEA level 2 courses.
Review and redesign the two Tai Tokerau Trades Academies programmes	Hospitality has embedded a successful program and continues to grow in popularity. The number of students in Construction has declined. The course needs significant restructure	Hospitality delivered excellent results and only minor changes have been made for 2024. Improvements to the construction program will continue through out 2024	DP to work with HOD of trades to unpack reasons for decline in construction and implement changes
Create an NCEA Assessment handbook for students	An NCEA assessment handbook for students was created and made available to all Otamatea High School students.	N/A	Regularly ensure students and whānau know where to access this resource. Update the resource whenever new changes are made to assessment procedures.
Implement the NZ curriculum refresh changes to reflect local tikanga, mātauranga Māori and te ao Māori.	Departments worked on this at staff only days and have incorporated it into their unit planning.	Ongoing	A continual process of reviewing the effectiveness of changes made and adapting contexts should occur, to increase engagement.

Implement the schoolwide literacy improvement plan.	New Literacy support classes (as rotation/option) lines created for years 7-9	More work required on getting Y10s ready for the literacy co-requisites	Continue to implement literacy strategy in 2024
Modify the school's careers programme to ensure learners/ākonga have the skills, knowledge and pathways to succeed in work.	Done	N/A	As is the norm, career programmes for all age groups will be regularly reviewed and updated.
Review senior and junior prizegiving and implement changes	Fewer service awards, and fewer rotation subject awards made. Introduced Y9 certificate and Y10 diploma awards	NCEA subject awards are still to be reviewed.	NCEA subject awards to be reviewed in 2024.
Use the Quality Practice Template with teaching staff and build these into the school's Professional Growth Cycle (PGC)	Done	PGC well established now	Continue to review PGC
Develop an online "teachers handbook" through the "in the waka" link	Some progress made with new link created including schoolwide expectations, KAMAR and other procedures	Full handbook still to be developed	Will continue to add to this in 2024
Build a Relational Based Pedagogical Culture among teaching staff.	Started relational pedagogy PLD for staff through Cognition Education	PLD delayed so is ongoing into 2024	Continue in 2024, but will not proceed any further with HOD Impact Coaching.
Build a staff culture of continual improvement in te reo Māori me ōna tikanga Māori	Staff PLD held several times throughout the year.	N/A	Will continue into 2024
Review schoolwide events, through community feedback and the development of checklists, to improve community engagement	Did not happen	Had to prioritise other goals	Will continue in 2024

Review Te Panui	Done - with department's having weekly articles, and SLT all contributing	N/A	Will look to send through KAMAR in 2024
Consult with the community in the development of the new 2024-2026 Strategic Plan as per the new reporting requirements	Extensive consultation done	N/A	2024-2025 strategic plan developed in line with new reporting regulations
Develop the school's vision statement "Kia mataara ki te Ao/Ready for the World"	Draft visual vision developed	Consultation with OHS's te kotahitanga roopu completed end of 2023	Create a digital visual of the school's vision statement
Implement KIVA the bullying prevention programme for Year 7 and 8s	Done	N/A	All Y7s and Y9s to complete in 2024
Use the wellbeing frameworks to recognise, value, and enhance the wellbeing outcomes of staff and students.	Pastoral care and the whanau system continue to be underpinned by the wellbeing framework helping students feel safe, supported and connected. Circle time has become embedded into Whanau time. Additional hours for councillors Targeted support through programs co-ordinated by Kaiwhina Restorative practice model continues to be central to pastoral process	Additional investment into deans and KAMAR support identified	Restorative practice professional development has been planned to further enhance teachers' understanding. Changes to the Deaning structure with a view to streamlining students access to support and having a more preventative focus
Implement the new pastoral care systems and review the school's student reward programme.	New systems developed and implemented for phone violations and vaping, GK system reviewed plan developed to implement changes in 2024 Deans structure reviewed and changes made for 2024 Pastoral admin support role created for 2024	Lack of support staff time identified as barrier to implementing all changes	New GK system will be launched term one 2024 The model developed to monitor phone violations will be expanded to cover lateness and uniform. Dedicated support staff role to be created to support KAMAR pastoral support processes. KAMAR Data will be filtered by a Pastoral admin support person Deans reflections replaced HOD reflections

				Continue to develop staff knowledge and skills to ensure consistency in KAMAR entries
Develop a school culture of continual improvement in the success of school events.	Did not happen		Had to prioritise other goals	Will continue in 2024
Complete succession planning for the school's DOE programme.	DOE coordinator to remain until approximately term 3 2024		Only one teacher volunteered to remain with DOE in 2024	Will continue succession planning in 2204

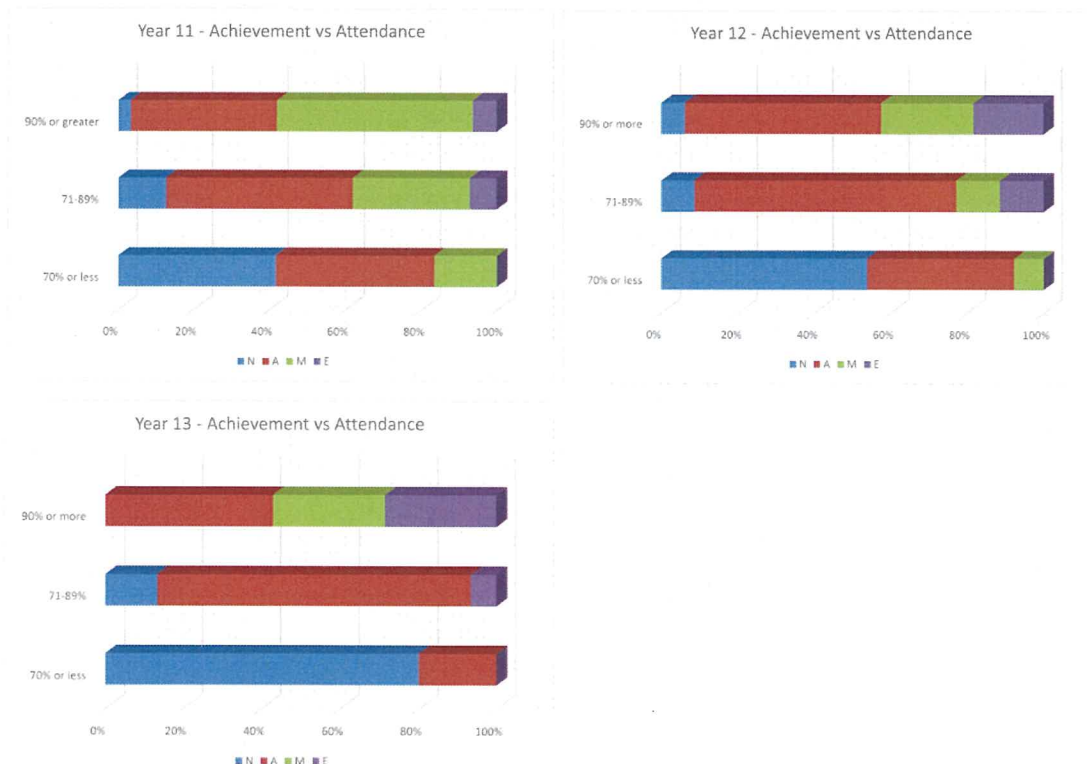
## Evaluation of the school's students' progress and achievement

Otamatea High School achieved an 85.9% (81.5%) pass rate in NCEA level 1, an 83.8% (81.0%) pass rate in NCEA level 2 and a 69.0% (63.6%) pass rate in NCEA level 3. Māori students' pass rates are in brackets.

Our students' pass rates are significantly higher than the national average pass rates in NCEA levels 1 and 2, with similar pass rates for NCEA level 3. We also achieved a 90.9% pass rate in NCEA level 1 literacy and a 92.9% pass rate in NCEA level 1 numeracy, compared with 82.8% and 82.3% nationally.

	Otamatea High School	National	Schools with Moderate Socioeconomic Barriers
Year 11 – NCEA Level 1	<b>85.9%</b> (81.5%)	<b>61.7%</b> (51.9%)	<b>66.4%</b> (56.2%)
Year 12 – NCEA Level 2	<b>83.8%</b> (81.0%)	<b>73.2%</b> (64.6%)	<b>77.6%</b> (69.6%)
Year 13 – NCEA Level 3	<b>69.0%</b> (63.6%)	<b>67.7%</b> (56.3%)	<b>70.1%</b> (59.9)

Attendance is a significant driver in student achievement. The following graphs illustrate how strongly linked student attendance is to achievement:



## Report on how the School has given effect to the Treaty of Waitangi – 2023

Te Tiriti o Waitangi is one of Aotearoa New Zealand's founding documents and represents the binding contract between Māori and the Crown. Otamatea High 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 Otamatea High 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.
- Otamatea High 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

Otamatea High 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

Otamatea High 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

Otamatea High 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).

## Otamatea High School

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

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

Reporting on the principles of being a Good Employer	
How have you met your obligations to provide good and safe working conditions?	Health and safety policies that are regularly reviewed and updated as necessary. Risk assessments - identifying and assessing potential risks to the health and safety of staff and students and taking appropriate steps to mitigate these risks. Providing safe facilities. Providing support for staff such as first aid training, emergency response procedures, and managing student behaviour. EAP services. Providing support for students including access to counselling services and health promotion activities.
What is in your equal employment opportunities programme?  How have you been fulfilling this programme?	Our Equal Employment Opportunities policy ensures that all employees and applicants for employment are treated according to their skills, qualifications, abilities, and aptitudes, without bias or discrimination. This includes recruitment, training, promotion, performance management and career development
How do you practise impartial selection of suitably qualified persons for appointment?	We follow a fair and transparent recruitment process and use objective criteria to assess candidates' suitability for the job. All forms of bias are avoided.
How are you recognising, <ul style="list-style-type: none"><li>– The aims and aspirations of Māori,</li><li>– The employment requirements of Māori, and</li><li>– Greater involvement of Māori in the Education service?</li></ul>	We have a range of policies and practices that promote inclusion and cultural responsiveness. We have partnerships with the Otamatea Marae and Te Uri o Hau.
How have you enhanced the abilities of individual employees?	We do this by providing opportunities for professional development and growth, and by providing opportunities for leadership development.
How are you recognising the employment requirements of women?	We have policies and practices that promote gender equality and create a supportive work environment. We promote work-life balance and provide support for parental leave.
How are you recognising the employment requirements of persons with disabilities?	We have policies and practices that promote accessibility, inclusion, and support.

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

<b>Reporting on Equal Employment Opportunities (EEO) Programme/Policy</b>	<b>YES</b>	<b>NO</b>
Do you operate an EEO programme/policy?	Yes	
Has this policy or programme been made available to staff?	Yes	
Does your EEO programme/policy include training to raise awareness of issues which may impact EEO?		No
Has your EEO programme/policy appointed someone to coordinate compliance with its requirements?	Yes	
Does your EEO programme/policy provide for regular reporting on compliance with the policy and/or achievements under the policy?	Yes	
Does your EEO programme/policy set priorities and objectives?	Yes	

### **Kiwisport Funding Report 2023**

The Kiwisport grant is received each year through the operations grant entitlement. The school uses this funding to help employ a Sports Coordinator. For 2023 the hours of work for the Sports Coordinator was 30 hours, and a Sport Coordinator assistant at 18 hours per week, term time only. The Sports Coordinator's role is to ensure that students have good access to sporting opportunities. Funding organisations are applied for, such as the Rural Travel Fund and various local charities to support sport at the school. The Sports Coordinator submits a report to Sport Northland on an annual basis".

Dirk Smyth

Principal

Otamatea High School



# Otamatea High School

*Te Kura Tuarua o Otamatea*

Financial Statements  
for the year ended  
31 December 2023

# OTAMATEA HIGH SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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# Otamatea High School

## Statement of Responsibility

For the year ended 31 December 2023

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

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

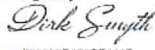
It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2023 fairly reflects the financial position and operations of the school.

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

Llewellyn Smart  
Full Name of Presiding Member

Dirk Smyth  
Full Name of Principal

Signed by:  
  
471627B3898CAE74  
Signature of Presiding Member

Signed by:  
  
783368E456CF464F  
Signature of Principal

22 May 2024  
Date:

22 May 2024  
Date:

# Otamatea High School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Revenue</b>				
Government Grants	2	9,501,959	7,915,620	7,684,376
Locally Raised Funds	3	543,007	286,890	408,996
Interest		27,994	7,000	7,666
Gain on Sale of Property, Plant and Equipment		318	-	1,261
<b>Total Revenue</b>		<b>10,073,278</b>	<b>8,209,510</b>	<b>8,102,299</b>
<b>Expense</b>				
Locally Raised Funds	3	495,857	265,705	247,306
Learning Resources	4	6,681,448	6,009,870	5,393,466
Administration	5	1,320,059	603,195	1,231,509
Interest		19,613	12,000	3,938
Property	6	1,490,421	1,448,195	1,278,686
Loss on Disposal of Property, Plant and Equipment		173	-	2,237
<b>Total Expense</b>		<b>10,007,571</b>	<b>8,338,965</b>	<b>8,157,142</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>65,707</b>	<b>(129,455)</b>	<b>(54,843)</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>65,707</b>	<b>(129,455)</b>	<b>(54,843)</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.



# Otamatea High School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Equity at 1 January</b>		1,663,933	1,663,933	1,690,398
Total comprehensive revenue and expense for the year		65,707	(129,455)	(54,843)
Contributions from / (Distributions to) the Ministry of Education	16	(87,963)	-	-
Contribution - Furniture and Equipment Grant		217,305	-	28,378
<b>Equity at 31 December</b>		1,858,982	1,534,478	1,663,933
Accumulated comprehensive revenue and expense		1,739,212	1,414,708	1,544,163
Reserves		119,770	119,770	119,770
<b>Equity at 31 December</b>		1,858,982	1,534,478	1,663,933

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.



# Otamatea High School

## Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	1,062,793	712,254	851,980
Accounts Receivable	8	439,128	422,996	422,547
GST Receivable		104,271	49,000	48,981
Prepayments		49,300	46,750	46,639
Inventories	9	1,967	2,350	2,329
Investments	10	121,803	-	-
Funds Receivable for Capital Works Projects	16	1,078	7,198	47,554
		1,780,340	1,240,548	1,420,030
<b>Current Liabilities</b>				
Accounts Payable	12	767,370	609,502	605,803
Revenue Received in Advance	13	53,462	67,500	66,884
Provision for Cyclical Maintenance	14	260,615	140,000	136,615
Finance Lease Liability	15	100,673	67,000	66,370
Funds held for Capital Works Projects	16	101,952	-	-
Funds held on behalf of School Cluster	17	314,528	203,000	202,810
		1,598,600	1,087,002	1,078,482
<b>Working Capital Surplus/(Deficit)</b>		181,740	153,546	341,548
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	1,784,257	1,586,436	1,586,434
		1,784,257	1,586,436	1,586,434
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	21,485	128,000	186,955
Finance Lease Liability	15	85,530	77,504	77,094
		107,015	205,504	264,049
<b>Net Assets</b>		1,858,982	1,534,478	1,663,933
<b>Equity</b>		1,858,982	1,534,478	1,663,933

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



# Otamatea High School

## Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		2,893,309	3,031,993	3,176,803
Locally Raised Funds		576,958	287,188	327,027
Goods and Services Tax (net)		(55,290)	(19)	11,659
Payments to Employees		(1,626,210)	(1,566,592)	(1,534,391)
Payments to Suppliers		(1,502,196)	(1,685,385)	(1,856,122)
Interest Paid		(19,613)	(12,000)	(3,938)
Interest Received		27,360	6,883	6,783
Net cash from/(to) Operating Activities		294,318	62,068	127,821
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	(57,345)	1,261
Purchase of Property Plant & Equipment (and Intangibles)		(335,203)	(515,783)	(146,434)
Purchase of Investments		(121,803)	-	
Net cash from/(to) Investing Activities		(457,006)	(573,128)	(145,173)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		188,927	(28,378)	28,378
Finance Lease Payments		(92,117)	359,166	(82,392)
Funds Administered on Behalf of Other Parties		276,691	40,546	37,397
Net cash from/(to) Financing Activities		373,501	371,334	(16,617)
Net increase/(decrease) in cash and cash equivalents		210,813	(139,726)	(33,969)
Cash and cash equivalents at the beginning of the year	7	851,980	851,980	885,949
Cash and cash equivalents at the end of the year	7	1,062,793	712,254	851,980

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.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 1. Statement of Accounting Policies

#### a) Reporting Entity

Otamatea High 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

##### *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.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### ***Critical Accounting Estimates And Assumptions***

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

### ***Cyclical maintenance***

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

### ***Useful lives of property, plant and equipment***

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment, as disclosed in the significant accounting policies, are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

### ***Critical Judgements in applying accounting policies***

Management has exercised the following critical judgements in applying accounting policies:

### ***Classification of leases***

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 21.

### ***Recognition of grants***

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



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### c) Revenue Recognition

#### **Government Grants**

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

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

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.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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 are comprised of stationery, school uniforms and canteen supplies. 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.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### Depreciation

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

The estimated useful lives of the assets are:

Building improvements	10–75 years
Board Owned Buildings	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

### k) Impairment of Property, Plant, and Equipment

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

Non cash generating assets

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

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

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

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

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

### l) 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.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### **m) Employee Entitlements**

#### *Short-term employee entitlements*

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

#### *Long-term employee entitlements*

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

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

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

Revenue received in advance relates to fees received from 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.

### **o) 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.

### **p) 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.

### **q) 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.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### r) 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.

### s) Financial Instruments

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

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

### t) 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.

### u) Budget Figures

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

### v) 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.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 2. Government Grants

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Government Grants - Ministry of Education	3,414,849	2,764,920	2,851,946
Teachers' Salaries Grants	4,818,133	4,076,100	3,737,489
Use of Land and Buildings Grants	1,004,137	835,905	835,904
Other Government Grants	264,840	238,695	259,037
	<u>9,501,959</u>	<u>7,915,620</u>	<u>7,684,376</u>

The school has opted in to the donations scheme for this year. Total amount received was \$103,106.

### 3. Locally Raised Funds

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
<b>Revenue</b>			
Donations & Bequests	31,809	-	37,213
Fees for Extra Curricular Activities	340,176	156,220	244,484
Trading	64,129	58,000	57,686
Other Revenue	106,893	72,670	69,613
	<u>543,007</u>	<u>286,890</u>	<u>408,996</u>
<b>Expense</b>			
Extra Curricular Activities Costs	208,630	201,115	122,778
Trading	67,240	64,590	61,337
Other Locally Raised Funds Expenditure	219,987	-	63,191
	<u>495,857</u>	<u>265,705</u>	<u>247,306</u>
<b>Surplus/ (Deficit) for the year Locally Raised Funds</b>	<u>47,150</u>	<u>21,185</u>	<u>161,690</u>

During 2023 the school transferred \$210,710 from general funds into the Transport network. This is reflected within locally raised expenditure above and as other funds received to the Otamatea Transport Network; refer to note 17. The reason the funds were paid across was to fund additional routes for students travelling from outside of the Otamatea High School transport zones.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 4. Learning Resources

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	494,622	691,660	401,953
Equipment Repairs	15,222	15,000	15,219
Information and Communication Technology	29,901	33,555	31,549
Library Resources	1,157	1,500	1,537
Employee Benefits - Salaries	5,868,462	5,029,905	4,715,958
Staff Development	16,248	23,250	13,847
Depreciation	255,836	215,000	213,403
	<u>6,681,448</u>	<u>6,009,870</u>	<u>5,393,466</u>

### 5. Administration

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Audit Fees	9,410	9,410	9,136
Board Fees	2,215	3,150	2,545
Board Expenses	6,365	95,220	8,078
Communication	12,911	11,250	11,033
Consumables	17,325	16,805	12,007
Operating Leases	9,041	9,045	9,041
Other	912,348	96,080	791,884
Employee Benefits - Salaries	311,845	325,270	354,247
Insurance	31,247	29,615	26,635
Service Providers, Contractors and Consultancy	7,352	7,350	6,903
	<u>1,320,059</u>	<u>603,195</u>	<u>1,231,509</u>

### 6. Property

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	29,413	28,550	26,621
Cyclical Maintenance	(34,270)	51,500	11,221
Grounds	14,518	14,500	10,996
Heat, Light and Water	56,872	56,500	58,586
Rates	18,786	15,500	13,661
Repairs and Maintenance	132,884	156,225	108,564
Use of Land and Buildings	1,004,137	835,905	835,904
Employee Benefits - Salaries	268,081	289,515	213,133
	<u>1,490,421</u>	<u>1,448,195</u>	<u>1,278,686</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.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 7. Cash and Cash Equivalents

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Bank Accounts	1,062,793	442,254	583,360
Short-term Bank Deposits	-	270,000	268,620
Cash and cash equivalents for Statement of Cash Flows	<u>1,062,793</u>	<u>712,254</u>	<u>851,980</u>

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

Of the \$1,062,793 Cash and Cash Equivalents, \$117,419 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.

Of the \$1,062,793 Cash and Cash Equivalents, \$314,528 is held by the School on behalf of the Otamatea Transport Network. See note 20 for details of how the funding received for the cluster has been spent in the year.

### 8. Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Receivables	13,269	86,250	11,959
Receivables from the Ministry of Education	1,150	-	49,833
Transport Receivable	24,140	-	24,140
Interest Receivable	1,517	1,000	883
Banking Staffing Underuse	8,287	-	-
Teacher Salaries Grant Receivable	390,765	335,746	335,732
	<u>439,128</u>	<u>422,996</u>	<u>422,547</u>
Receivables from Exchange Transactions	38,926	87,250	36,982
Receivables from Non-Exchange Transactions	400,202	335,746	385,565
	<u>439,128</u>	<u>422,996</u>	<u>422,547</u>

### 9. Inventories

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Stationery	119	-	131
School Uniforms	1,123	1,350	1,106
Canteen	725	1,000	1,092
	<u>1,967</u>	<u>2,350</u>	<u>2,329</u>



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 10. Investments

The School's investment activities are classified as follows:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
Current Asset	\$	\$	\$
Short-term Bank Deposits	121,803	-	-
Total Investments	121,803	-	-

### 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Land	116,200	-	-	-	-	116,200
Buildings	812,128	-	-	-	(33,880)	778,248
Furniture and Equipment	418,576	246,051	318	-	(73,413)	591,532
Information and Communication Technology	68,414	68,835	-	-	(33,288)	103,961
Motor Vehicles	19,720	-	-	-	(10,793)	8,927
Leased Assets	148,458	134,856	-	-	(103,645)	179,669
Library Resources	2,938	3,772	(173)	-	(817)	5,720
Balance at 31 December 2023	1,586,434	453,514	145	-	(255,836)	1,784,257

The net carrying value of furniture and equipment held under a finance lease is \$179,669 (2022: \$144,165).

#### Restrictions

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

	2023 Cost or Valuation	2023 Accumulated Depreciation	2023 Net Book Value	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value
	\$	\$	\$	\$	\$	\$
Land	116,200	-	116,200	116,200	-	116,200
Buildings	1,355,194	(576,946)	778,248	1,355,194	(543,066)	812,128
Furniture and Equipment	1,515,861	(924,329)	591,532	1,280,956	(862,380)	418,576
Information and Communication Technology	482,573	(378,612)	103,961	413,738	(345,324)	68,414
Motor Vehicles	76,165	(67,238)	8,927	77,065	(57,345)	19,720
Leased Assets	492,982	(313,313)	179,669	358,126	(209,668)	148,458
Library Resources	11,827	(6,107)	5,720	8,557	(5,619)	2,938
Balance at 31 December	4,050,802	(2,266,545)	1,784,257	3,609,836	(2,023,402)	1,586,434

# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 12. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	313,394	212,502	210,841
Accruals	9,410	9,500	9,474
Employee Entitlements - Salaries	394,948	350,000	348,446
Employee Entitlements - Leave Accrual	49,618	37,500	37,042
	<u>767,370</u>	<u>609,502</u>	<u>605,803</u>

Payables for Exchange Transactions	767,370	609,502	605,803
	<u>767,370</u>	<u>609,502</u>	<u>605,803</u>

The carrying value of payables approximates their fair value.

### 13. Revenue Received in Advance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Other revenue in Advance	53,462	67,500	66,884
	<u>53,462</u>	<u>67,500</u>	<u>66,884</u>

### 14. Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Provision at the Start of the Year	323,570	323,570	335,280
Increase to the Provision During the Year	41,800	(55,570)	53,733
Use of the Provision During the Year	(7,200)	-	(44,513)
Other Adjustments	(76,070)	-	(20,930)
Provision at the End of the Year	<u>282,100</u>	<u>268,000</u>	<u>323,570</u>
Cyclical Maintenance - Current	260,615	140,000	136,615
Cyclical Maintenance - Non current	21,485	128,000	186,955
	<u>282,100</u>	<u>268,000</u>	<u>323,570</u>

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



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 15. Finance Lease Liability

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
No Later than One Year	113,929	67,000	77,543
Later than One Year and no Later than Five Years	91,271	77,504	83,042
Future Finance Charges	(18,997)		(17,121)
	<u>186,203</u>	<u>144,504</u>	<u>143,464</u>
<b>Represented by</b>			
Finance lease liability - Current	100,673	67,000	66,370
Finance lease liability - Non current	85,530	77,504	77,094
	<u>186,203</u>	<u>144,504</u>	<u>143,464</u>



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 16. Funds Held for Capital Works Projects

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

	2023	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
MOE Classroom Upgrades		(47,554)		(40,409)	87,963	-
MOE H Block Redevelopment		-	69,421	(70,499)	-	(1,078)
MOE Fire Alarm & Bell System Upgrade		-	20,000	(5,820)	-	14,180
MOE Cyclone Remediation		-	133,155	(47,277)	-	85,878
MOE Temporary Teaching Spaces		-	18,439	(16,545)	-	1,894
MOE Education Brief		-	11,520	(11,520)	-	-
Totals		(47,554)	252,535	(192,070)	87,963	100,874

#### Represented by:

Funds Held on Behalf of the Ministry of Education

101,952

Funds Receivable from the Ministry of Education

(1,078)

	2022	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
MOE Classroom Upgrades		(9,484)	214,196	(252,266)	-	(47,554)
Totals		(9,484)	214,196	(252,266)	-	(47,554)

#### Represented by:

Funds Receivable from the Ministry of Education

(47,554)

At the outset of the classroom upgrade project the School and the Ministry agreed that the School would contribute \$89,458 by way of a donation toward the total cost of the project. The actual cost incurred was \$87,963 which is reflected as distribution to the Ministry of Education within the Statement of Changes in net assets/equity.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 17. Funds Held on Behalf of the Otamatea Transport Network

Otamatea High School is the lead school and holds funds on behalf of the Otamatea Transport cluster, a group of schools funded by the Ministry of Education to share transport costs.

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	202,810	202,810	127,343
Funds Received from MOE	1,525,992	-	1,395,561
Other Funds Received	239,018	190	58,025
Total funds received	1,967,820	203,000	1,580,929
Funds Spent on Behalf of the Cluster	1,653,292		1,378,119
Funds remaining	314,528	203,000	202,810
Distribution of Funds			
Kaiwaka School	59,760	38,570	38,534
Maungaturoto School	44,034	28,420	28,393
Otamatea High School	147,828	95,410	95,321
Paparua School	40,889	26,390	26,365
Funds Held at Year End	314,528	203,000	202,810

Other funds received includes \$210,710 transferred from the school to the transport network. Distributions have not been made to schools within the cluster for several years on the basis that there are potential changes to both the cost and funding structures. The above is therefore an indicative breakdown of distributions as at balance date.

### 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 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.

A related party disclosure that was not an arm's length transaction was with Daniel Alcock, a board member who was contracted under Mr A's Mowing to provide a mowing service for the school. During 2023 the total value of transactions was \$1590. Because this amount is less than \$25,000 (incl GST) for the year, the contract does not require Ministry approval under s10 of Schedule 23 of the Education and Training Act 2020.



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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	2,215	2,545
<i>Leadership Team</i>		
Remuneration	587,155	524,684
Full-time equivalent members	4	4
Total key management personnel remuneration	589,370	527,229

There are 7 members of the Board excluding the Principal. The Board has held 9 full meetings of the Board in the year. The Board also has Finance (3 members) committee who meet one week prior to each board meeting. As well as these regular meetings, including preparation time, the members have also been involved in ad hoc meetings to consider suspensions of students.

#### 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	210 - 220	160 - 170
Benefits and Other Emoluments	1 - 5	1 - 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
120 - 130	4	-
110 - 120	10	7
100 - 110	10	8
	24	15

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



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 20. Contingencies

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

#### Holidays Act Compliance – Schools Payroll

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

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

#### Pay Equity Settlement Wash-up Amounts

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 is therefore not recorded in these financial statements.

### 21. Commitments

#### (a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$533,690 (2022:\$214,196) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
MOE Classroom Upgrades	292,675	(292,675)	-
MOE H Block Redevelopment	87,860	(70,499)	17,361
MOE Fire Alarm & Bell System Upgrade	20,000	(5,820)	14,180
MOE Cyclone Remediation	133,155	(47,277)	85,878
<b>Total</b>	<b>533,690</b>	<b>(416,271)</b>	<b>117,419</b>

#### (b) Operating Commitments

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

An operating lease with FujiFilm Business Innovation NZ Ltd for the rental of a printer.

The total lease payments incurred during the period were \$14,635 (2022: \$6,098).



# Otamatea High School

## Notes to the Financial Statements

For the year ended 31 December 2023

### 22. Financial Instruments

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

#### Financial assets measured at amortised cost

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Cash and Cash Equivalents	1,062,793	712,254	851,980
Receivables	439,128	422,996	422,547
Investments - Term Deposits	121,803	-	-
Total financial assets measured at amortised cost	<u>1,623,724</u>	<u>1,135,250</u>	<u>1,274,527</u>

#### Financial liabilities measured at amortised cost

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Payables	767,370	609,502	605,803
Finance Leases	186,203	144,504	143,464
Total financial liabilities measured at amortised cost	<u>953,573</u>	<u>754,006</u>	<u>749,267</u>

### 23. Events After Balance Date

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





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NEW ZEALAND

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF OTAMATEA HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Otamatea High School (the School). The Auditor-General has appointed me, Adelle Wilson, using the staff and resources of BDO Northland, to carry out the audit of the financial statements of the School on her behalf.

#### Opinion

We have audited the financial statements of the School on pages 2 to 23, 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 Sector - Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 22 May 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.

WHANGAREI PARTNERS:    Greg Atkins            Scott Kennedy            Adelle Wilson

KERIKERI PARTNERS:    Solomon Dalton           Angela Edwards           Joanne Roberts

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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 are responsible for the other information. The other information obtained at the date of our report is Members of the Board, Kiwisport Funding Report, Statements of Compliance with Employment Policy, Analysis of Variance, Report on how the school has given effect to Te Tiriti o Waitangi, 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.



Adelle Wilson  
BDO Northland  
On behalf of the Auditor-General  
Whangarei, New Zealand