

ONEPOTO SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 1400

Principal: Daniella Latoa-Levi

School Address: Fraser Ave, Northcote, Auckland 0627

School Postal Address: PO Box 36-126, Northcote, Auckland 0748

School Phone: (09) 480 7469

School Email: office@onepoto.school.nz
principal@onepoto.school.nz

Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Alan Curtis	Presiding Member	Co-opted	Dec 2023
Daniella Latoa-Levi	Principal ex Officio		
Emma Alona	Parent Representative	Elected	Sept 2025
Linda Sullivan	Parent Representative	Elected	Sept 2025
Samantha Sheeran	Parent Representative	Elected	Sept 2025
Tom Allen	Parent Representative	Elected	Sept 2025
Viliami Puli'uvea	Parent Representative	Elected	Sept 2025
Stephanie Taniora	Staff Representative	Elected	Sept 2025

Accountant / Service Provider:
Top Class Financial Management Services

Onepoto 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.

Tom Allen

Full Name of Presiding Member



Signature of Presiding Member

31-05-2024

Date:

Daniella Latoa-Levi

Full Name of Principal



Signature of Principal

31-05-2024

Date:

Onepoto School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January		1,062,069	1,062,069	1,125,380
Total comprehensive revenue and expense for the year		(128,335)	(144,563)	(63,311)
Contributions from / (Distributions to) the Ministry of Education		-	-	-
Contribution - Furniture and Equipment Grant		3,109	-	-
Equity at 31 December		936,843	917,506	1,062,069
Accumulated comprehensive revenue and expense		936,843	917,506	1,062,069
Equity at 31 December		936,843	917,506	1,062,069

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.

Onepoto School

Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash flows from Operating Activities				
Government Grants		370,314	361,240	437,033
Locally Raised Funds		52,655	7,000	23,208
Goods and Services Tax (net)		(293)	-	9,084
Payments to Employees		(250,480)	(214,700)	(177,518)
Payments to Suppliers		(197,382)	(187,787)	(349,645)
Interest Paid		(931)	(600)	(817)
Interest Received		19,990	200	3,913
Net cash from/(to) Operating Activities		(6,127)	(34,647)	(54,742)
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	63,772	-
Purchase of Property Plant & Equipment (and Intangibles)		(63,474)	-	(19,283)
Purchase of Investments		-	-	(250,000)
Proceeds from Sale of Investments		210,000	-	
Net cash from/(to) Investing Activities		146,526	63,772	(269,283)
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,109	-	-
Finance Lease Payments		(4,611)	(3,070)	(3,426)
Painting Contract Payments		(9,687)	-	
Funds Administered on Behalf of Other Parties		(810)	-	(24,117)
Net cash from/(to) Financing Activities		(11,999)	(3,070)	(27,543)
Net increase/(decrease) in cash and cash equivalents		128,400	26,055	(351,568)
Cash and cash equivalents at the beginning of the year	7	186,986	136,759	538,554
Cash and cash equivalents at the end of the year	7	315,386	162,814	186,986

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.

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.

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

k) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

l) Employee Entitlements*Short-term employee entitlements*

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

m) Revenue Received in Advance

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

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

n) Funds held for Capital works

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose. As such, these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

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

o) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a 7 to 10 year period. The economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

p) Financial Instruments

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

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

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

q) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

r) Budget Figures

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

s) Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	6,760	6,563	6,563
Board Fees	7,540	3,000	2,756
Board Expenses	7,113	7,800	6,513
Communication	1,219	1,000	1,000
Consumables	4,315	4,000	3,874
Operating Leases	2,739	3,500	3,609
Healthy Lunches	96,647	-	85,676
Other	2,503	5,386	3,861
Employee Benefits - Salaries	63,422	55,700	66,984
Insurance	5,845	5,500	5,374
Service Providers, Contractors and Consultancy	10,500	10,500	10,000
	<u>208,603</u>	<u>102,949</u>	<u>196,209</u>

6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	4,589	4,200	4,351
Consultancy and Contract Services	63,362	61,750	64,036
Cyclical Maintenance	(13,909)	10,000	37,366
Grounds	585	-	-
Heat, Light and Water	28,121	14,000	12,036
Rates	122	250	246
Repairs and Maintenance	18,587	2,000	3,841
Use of Land and Buildings	1,014,399	864,973	864,973
Security	9,563	7,000	6,966
	<u>1,125,419</u>	<u>964,173</u>	<u>993,816</u>

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

7. Cash and Cash Equivalents

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Bank Accounts	315,386	162,814	186,986
Cash and cash equivalents for Statement of Cash Flows	<u>315,386</u>	<u>162,814</u>	<u>186,986</u>

Of the \$315,386 Cash and Cash Equivalents, \$17,799 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 \$315,386 Cash and Cash Equivalents, \$6,000 unspent grant funding relating to the Principal's Wellbeing is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. The Principal used this funding to attend a conference in 2024.

11. Accounts Payable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Creditors	26,607	10,000	11,193
Accruals	15,257	6,760	6,060
Banking Staffing Overuse	23,091	-	-
Employee Entitlements - Salaries	45,324	55,000	51,598
Employee Entitlements - Leave Accrual	2,928	-	2,401
	<u>113,207</u>	<u>71,760</u>	<u>71,252</u>
Payables for Exchange Transactions	113,207	71,760	71,252
	<u>113,207</u>	<u>71,760</u>	<u>71,252</u>

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Grants in Advance - Ministry of Education	8,576	-	-
	<u>8,576</u>	<u>-</u>	<u>-</u>

13. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	37,368	37,368	-
Increase to the Provision During the Year	-	10,000	37,368
Use of the Provision During the Year	-	(22,248)	-
Other Adjustments	(13,909)	-	-
Provision at the End of the Year	<u>23,459</u>	<u>25,120</u>	<u>37,368</u>
Cyclical Maintenance - Current	9,164	-	22,248
Cyclical Maintenance - Non current	14,295	25,120	15,120
	<u>23,459</u>	<u>25,120</u>	<u>37,368</u>

The schools cyclical maintenance schedule details annual painting to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the schools 10 Year Property plan in conjunction with the Property Consultant and the Presiding Member.

	2022	Opening Balances	Receipts from MOE	Payments	Board Contributions	Closing Balances
		\$	\$	\$	\$	\$
Shade Sail 235814	<i>In Progress</i>	(4,973)	45,000	(46,599)	-	(6,572)
Fale 228103	<i>In Progress</i>	22,772	-	-	-	22,772
Power Network	<i>In Progress</i>	-	16,256	(36,256)	-	(20,000)
Totals		17,799	61,256	(82,855)	-	(3,800)

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Receivable from the Ministry of Education

22,772
(26,572)

17. Related Party Transactions

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

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

18. Remuneration

Key management personnel compensation

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

	2023 Actual	2022 Actual
	\$	\$
<i>Board Members</i> Remuneration	7,540	2,755
<i>Leadership Team</i> Remuneration	256,056	240,055
Full-time equivalent members	2	2
Total key management personnel remuneration	263,596	242,810

There are seven members of the Board excluding the Principal. The Board has held eight full meetings in the year. The Board also has Finance committee that meets quarterly. Two members of the board attend this committee in addition to the Principal. The Principal has a Health & Safety Committee and a Property Committee, each of which has a delegated board member who attends. Board member also attends an employment committee as required under the Board's employment policy. Board members are also available as required for student welfare meetings (such as suspensions). No meetings have been required in 2023.

Principal 1

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

	2023 Actual	2022 Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	130 - 140
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	-	-

(b) Operating Commitments

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

(a) Programmed Maintenance Contract see note 14 - Completed

	2023 Actual \$	2022 Actual \$
No later than One Year	-	9,687
	<u>-</u>	<u>9,687</u>

The total lease payments incurred during the period were \$9,687 (2022: \$0).

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	315,386	162,814	186,98
Receivables	63,750	58,000	70,20
Investments - Term Deposits	190,000	300,000	400,00
Total financial assets measured at amortised cost	<u>569,136</u>	<u>520,814</u>	<u>657,19</u>

Financial liabilities measured at amortised cost

Payables	113,207	71,760	71,25
Finance Leases	10,192	14,000	14,80
Painting Contract Liability	-	-	9,68
Total financial liabilities measured at amortised cost	<u>123,399</u>	<u>85,760</u>	<u>95,74</u>

23. Events After Balance Date

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

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