

# PONSONBY INTERMEDIATE SCHOOL

## ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

### School Directory

<b>Ministry Number</b>	1445
<b>Principal</b>	Mr Nick Wilson
<b>School Address</b>	50 Clarence Street Ponsonby, Auckland
<b>School Postal Address</b>	50 Clarence Street Ponsonby, Auckland
<b>School Phone</b>	(09) 376-0096
<b>School E-mail Address</b>	<a href="mailto:office@ponsint.school.nz">office@ponsint.school.nz</a>

#### Members of the Board of Trustees

Name	Position	How Position		Occupation	Term Expires
		Gained			
Nick Wilson	Principal	Ex officio		Principal	
Andy Wilson	Staff Representative	Elected		Teacher	September 2025
Carla Hood	Treasurer	Elected		Financial Controller	September 2025
Paul Marsick	Parent Representative	Elected		Bank Manager	Resigned 2024
Angela Dixon	Parent Representative	Elected		Company Director	Resigned 2024
Adam Dodds	Parent Representative	Elected		Business Owner	September 2025
Damien Leng	Parent Representative	Elected		Head of Consumer Finance	September 2025

**Accountant/Service Provider** The Practice Consultants Ltd

**PONSONBY INTERMEDIATE SCHOOL**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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# PONSONBY INTERMEDIATE 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.

CRS HOOD

Full Name of Presiding Member

Carl Hood

Signature of Presiding Member

3/07/24

Date:

Nicholas Ross Wilson

Full Name of Principal

N. Wilson

Signature of Principal

3.7.24

Date:

# PONSONBY INTERMEDIATE 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	5,583,761	6,085,000	5,989,266
Locally Raised Funds	3	601,790	345,500	576,141
Interest		40,999	15,000	16,252
Gain on Sale of Property, Plant and Equipment		-	-	1,391
<b>Total Revenue</b>		<b>6,226,550</b>	<b>6,445,500</b>	<b>6,583,050</b>
<b>Expense</b>				
Locally Raised Funds	3	254,878	11,550	244,125
Learning Resources	4	3,841,251	3,262,100	3,434,749
Administration	5	415,353	347,150	383,872
Interest		2,092	12,000	2,286
Property	6	2,071,863	2,808,516	2,617,942
Loss on Disposal of Property, Plant and Equipment		-	-	2,901
<b>Total Expense</b>		<b>6,585,437</b>	<b>6,441,316</b>	<b>6,685,875</b>
<b>Net Surplus/(Deficit) for the year</b>		<b>(358,887)</b>	<b>4,184</b>	<b>(102,825)</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>\$ ( 358,887)</b>	<b>\$ 4,184</b>	<b>\$ ( 102,825)</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.

# PONSONBY INTERMEDIATE SCHOOL



## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Equity at 1 January</b>	1,418,791	1,418,791	1,429,876
Total Comprehensive Revenue and Expense for the Year	(358,887)	4,184	(102,825)
Contributions from / (Distributions to) the Ministry of Education			
Contribution - Furniture and Equipment Grant	33,038	-	54,673
Contribution - Te Mana Tuhono Grant	15,267	-	37,067
<b>Equity at 31 December</b>	<b>\$ 1,108,209</b>	<b>\$ 1,422,975</b>	<b>\$ 1,418,791</b>
Accumulated Comprehensive Revenue and Expense	1,108,209	1,422,975	1,418,791
Reserves	-	-	-
<b>Equity at 31 December</b>	<b>\$ 1,108,209</b>	<b>\$ 1,422,975</b>	<b>\$ 1,418,791</b>

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.

# PONSONBY INTERMEDIATE SCHOOL



## Statement of Financial Position

As at 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	171,186	111,762	214,927
Accounts Receivable	8	265,288	256,789	261,504
GST Receivable		64,148	-	752
Prepayments		29,690	15,673	15,673
Inventories	9	47,169	45,329	45,329
Investments	10	331,872	616,171	616,171
Funds Receivable for Capital Works Projects	14	124,775	-	-
		<u>1,034,128</u>	<u>1,045,724</u>	<u>1,154,356</u>
<b>Current Liabilities</b>				
Accounts Payable	12	401,594	370,843	370,843
Revenue Received in Advance	13	65,730	7,930	7,930
GST Payable		-	94	-
Funds Held for Capital Works Projects	14	269,040	-	143,155
Provision for Cyclical Maintenance	15	27,000	4,050	26,925
Finance Lease Liability	16	14,466	11,559	12,551
		<u>777,830</u>	<u>394,476</u>	<u>561,404</u>
<b>Working Capital Surplus/(Deficit)</b>		<u>256,298</u>	<u>651,248</u>	<u>592,952</u>
<b>Non Current Assets</b>				
Property, Plant and Equipment	11	968,111	884,201	927,201
		<u>968,111</u>	<u>884,201</u>	<u>927,201</u>
<b>Non Current Liabilities</b>				
Provision for Cyclical Maintenance	15	107,441	109,429	86,758
Finance Lease Liability	16	8,759	3,045	14,604
		<u>116,200</u>	<u>112,474</u>	<u>101,362</u>
<b>Net Assets</b>		<u>\$ 1,108,209</u>	<u>\$ 1,422,975</u>	<u>\$ 1,418,791</u>
<b>Equity</b>		<u>\$ 1,108,209</u>	<u>\$ 1,422,975</u>	<u>\$ 1,418,791</u>

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



# PONSONBY INTERMEDIATE SCHOOL

## Statement of Cash Flows

For the year ended 31 December 2023

	2023	2023	2022
	Actual	Budget	Actual
Notes	\$	(Unaudited)	\$
	\$	\$	\$
<b>Cash Flows from Operating Activities</b>			
Government Grants	959,587	885,000	929,704
Locally Raised Funds	519,514	300,500	541,608
International Students	127,124	45,000	42,463
Goods and Services Tax (net)	(63,175)	1,461	4,173
Payments to Employees	(691,626)	(512,500)	(565,984)
Payments to Suppliers	(1,021,429)	(580,200)	(885,479)
Proceeds from Insurance Claim	-	-	1,300
Cyclical Maintenance Payments	(6,400)	(27,720)	(13,790)
Interest Paid	(2,092)	(12,000)	(2,286)
Interest Received	41,239	15,000	11,150
Net Cash from/(to) the Operating Activities	(137,258)	114,541	62,859
<b>Cash Flows from Investing Activities</b>			
Purchase of Property, Plant and Equipment	(219,867)	(62,000)	(121,093)
Purchase of Investments	(331,872)	(616,171)	(616,171)
Proceeds from Sale of Investments	616,171	616,171	631,227
Net Cash from/(to) the Investing Activities	64,432	(62,000)	(106,037)
<b>Cash Flows from Financing Activities</b>			
Finance Lease Payments	(5,559)	(12,551)	(5,289)
Contributions from/ (Distributions to) Ministry of Education	33,038	-	54,673
Funds Held for Capital Works Projects	1,606	(143,155)	(33,212)
Net Cash from/(to) the Financing Activities	29,085	(155,706)	16,172
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	(43,741)	(103,165)	(27,006)
Cash and Cash Equivalents at the Beginning of the Year	7 214,927	214,927	241,933
<b>Cash and Cash Equivalents at the End of the Year</b>	7 <u>\$ 171,186</u>	<u>\$ 111,762</u>	<u>\$ 214,927</u>

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.

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2023

#### a) Reporting Entity

Ponsonby Intermediate 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 of Trustees (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 reports 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 expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

##### *Measurement Base*

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

##### *Presentation Currency*

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

##### *Specific Accounting Policies*

The accounting policies used in the preparation of these financial statements are set out below.

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

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

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

## Notes to the Financial Statements

### ***Critical Accounting Estimates And Assumptions (cont'd)***

#### *Cyclical maintenance*

A school recognises the obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

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

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 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 the risks and rewards incidental to ownership of an underlying asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the Statement of Financial Position as property, plant and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 21(b).

#### *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.

## Notes to the Financial Statements

### ***Government Grants Schools (cont'd)***

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.

## Notes to the Financial Statements

### **g) Accounts Receivable**

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

### **h) Inventories**

Inventories are consumable items held for sale and comprised of school uniforms. 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 not trivial.

### **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 leased 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.

## Notes to the Financial Statements

### **Depreciation**

Property, plant and equipment except for library resources are depreciated over their estimated useful lives. The estimated useful lives of the assets are:

Furniture and equipment	3 - 10 years
Information and communications technology	3 - 10 years
Building improvements	40 years
Motor vehicles	5 years
Leased assets held under a finance lease	3 - 5 years
Library books	12.5% Diminishing value

### **k) Impairment of property, plant, and equipment and intangible assets**

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

#### *Non cash generating assets*

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

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

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

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

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

### **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.

## Notes to the Financial Statements

### **m) Employee Entitlements**

#### *Short-term employee entitlements*

Employee benefits that are expected to be settled within twelve months after the end of the reporting period in which the employee provides the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned, by non teaching staff, to but not yet taken at balance date.

#### *Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before twelve 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 year in which they arise.

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

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

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

### **o) 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's 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 Revenue and Expense.

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

### **p) 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 6 to 8 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.

## Notes to the Financial Statements

### q) 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 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.

### r) 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, Inland Revenue, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

### s) Budget Figures

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

### t) 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.



Notes to the Financial Statements

2 Government Grants

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Government grants - Ministry of Education	969,518	885,000	997,795
Teachers' salaries grants	2,916,279	2,700,000	2,698,713
Use of land and buildings grants	1,697,964	2,500,000	2,292,758
	<b>\$ 5,583,761</b>	<b>\$ 6,085,000</b>	<b>\$ 5,989,266</b>

3 Locally Raised Funds

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
<i>Revenue</i>			
Donations	242,504	267,000	270,993
Trading	40,980	11,000	46,522
Fees for extra curricular activities	234,900	22,500	223,136
Fundraising and community grants	1,130	-	957
International student fees	82,276	45,000	34,533
	<b>601,790</b>	<b>345,500</b>	<b>576,141</b>
<i>Expenses</i>			
Trading	32,547	-	33,933
Extra curricular activities costs	207,737	7,050	207,583
International student fees - other expenses	14,594	4,500	2,609
	<b>254,878</b>	<b>11,550</b>	<b>244,125</b>
	<b>\$ 346,912</b>	<b>\$ 333,950</b>	<b>\$ 332,016</b>

Surplus/(Deficit) for the year Locally Raised Funds

During the year the school hosted 23 international students (2022:2).

4 Learning Resources

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	214,151	140,600	207,055
Equipment repairs	2,246	4,500	5,504
Information and communication technology	20,403	20,500	22,023
Library resources	3,743	5,000	3,088
Staff development	37,424	16,500	9,568
Employee benefits - salaries	3,359,750	2,970,000	3,009,589
Depreciation	203,534	105,000	177,922
	<b>\$ 3,841,251</b>	<b>\$ 3,262,100</b>	<b>\$ 3,434,749</b>



**5 Administration**

	<b>2023 Actual</b>	<b>2023 Budget (Unaudited)</b>	<b>2022 Actual</b>
	\$	\$	\$
ACC premiums	9,047	10,000	10,325
Advertising	12,146	5,000	3,984
Audit fees	11,249	11,000	10,921
Board fees	3,075	3,800	3,075
Board expenses	42,607	3,600	6,291
Communication	13,148	17,000	13,693
Consumables	25,159	27,500	27,356
Insurance	14,143	25,000	15,061
Operating leases	1,818	800	2,176
Other	42,040	22,950	48,897
Service providers, contractors and consultancy	17,040	20,500	19,855
Employee benefits - salaries	223,881	200,000	222,238
	<u>\$ 415,353</u>	<u>\$ 347,150</u>	<u>\$ 383,872</u>

**6 Property**

	<b>2023 Actual</b>	<b>2023 Budget (Unaudited)</b>	<b>2022 Actual</b>
	\$	\$	\$
Caretaking and cleaning consumables	19,704	22,000	23,112
Consultancy and contract services	66,387	61,000	62,596
Cyclical maintenance	27,158	27,516	19,967
Grounds	24,254	31,500	27,956
Heat, light and water	46,288	40,500	40,538
Repairs and maintenance	129,389	68,500	89,525
Use of land and buildings	1,697,964	2,500,000	2,292,758
Security	18,147	15,000	19,722
Employee benefits - salaries	42,572	42,500	41,768
	<u>\$ 2,071,863</u>	<u>\$ 2,808,516</u>	<u>\$ 2,617,942</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	171,186	111,762	214,927
	<u>\$ 171,186</u>	<u>\$ 111,762</u>	<u>\$ 214,927</u>

Of the \$171,186 Cash and Cash Equivalents, \$144,265 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2024 on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$171,186 Cash and Cash Equivalents, \$65,730 is held to enable the refund of unearned fees for international students as disclosed in note 13.

8 Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	20,664	-	4,715
Receivables from the Ministry of Education	-	-	-
Interest receivable	7,843	8,083	8,083
Teachers salaries grant receivable	236,781	248,706	248,706
	<u>\$ 265,288</u>	<u>\$ 256,789</u>	<u>\$ 261,504</u>
Receivables from exchange transactions	28,507	8,083	12,798
Receivables from non-exchange transactions	236,781	248,706	248,706
	<u>\$ 265,288</u>	<u>\$ 256,789</u>	<u>\$ 261,504</u>

9 Inventories

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Uniforms	47,169	45,329	45,329
	<u>\$ 47,169</u>	<u>\$ 45,329</u>	<u>\$ 45,329</u>

10 Investments

The School's investment activities are classified as follows:

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current asset			
Short-term bank deposits	331,872	616,171	616,171
	<u>\$ 331,872</u>	<u>\$ 616,171</u>	<u>\$ 616,171</u>

11 Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Depreciation \$	Total (NBV) \$
2023					
Building improvements	430,435	40,151	-	(13,122)	457,464
Furniture and equipment	263,945	73,996	-	(63,369)	274,572
Information and communication technology	189,025	128,015	-	(121,087)	195,953
Motor vehicles	3,802	-	-	(814)	2,988
Library resources	39,994	2,282	-	(5,142)	37,134
<b>Balance at 31 December 2023</b>	<u>\$ 927,201</u>	<u>\$ 244,444</u>	<u>\$ -</u>	<u>\$ (203,534)</u>	<u>\$ 968,111</u>

# PONSONBY INTERMEDIATE SCHOOL

## Notes to the Financial Statements



### 11 Property, Plant and Equipment (cont'd)

The net carrying value of equipment held under a finance lease is \$20,969 (2022: 24,936).

#### Restrictions

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

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building improvements	555,672	(98,208)	457,464	515,521	(85,086)	430,435
Furniture and equipment	857,304	(582,732)	274,572	783,308	(519,363)	263,945
Information and communication technology	959,401	(763,448)	195,953	838,402	(649,377)	189,025
Motor vehicles	40,499	(37,511)	2,988	40,499	(36,697)	3,802
Library resources	143,771	(106,637)	37,134	141,489	(101,495)	39,994
<b>Balance at 31 December</b>	<b>\$ 2,556,647</b>	<b>\$ (1,588,536)</b>	<b>\$ 968,111</b>	<b>\$ 2,319,219</b>	<b>\$ (1,392,018)</b>	<b>\$ 927,201</b>

### 12 Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	73,281	60,049	60,049
Accruals	17,749	17,421	17,421
Employee entitlements - leave accrual	47,770	44,667	44,667
Employee entitlements - salaries	236,781	248,706	248,706
Banking staffing overuse	26,013	-	-
	<u>\$ 401,594</u>	<u>\$ 370,843</u>	<u>\$ 370,843</u>
Payables for exchange transactions	375,581	370,843	370,843
Payables for non-exchange transactions	26,013	-	-
	<u>\$ 401,594</u>	<u>\$ 370,843</u>	<u>\$ 370,843</u>

The carrying value of payables approximates their fair value.

### 13 Revenue Received in Advance

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International student fees in advance	65,730	7,930	7,930
	<u>\$ 65,730</u>	<u>\$ 7,930</u>	<u>\$ 7,930</u>



Notes to the Financial Statements

14 Funds Held for Capital Works Projects

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

	Opening Balances	Receipts from MoE	Payments	BOT Contribution	Closing Balances
	\$	\$	\$	\$	\$
2023					
Roofing - project number 238115	32,748	50,000	(109,500)	-	(26,752)
Classroom upgrade - project number 238114	82,841	966,503	(790,479)	-	258,865
Distribution board - project number 238113	-	22,000	(11,825)	-	10,175
SIP projects	27,566	1,425	(127,014)	-	(98,023)
Totals	\$ 143,155	\$ 1,039,928	\$ ( 1,038,818)	\$ -	\$ 144,265

Represented by:

Funds receivable from the Ministry of Education	(124,775)
Funds held on behalf of the Ministry of Education	269,040
	<u>\$ 144,265</u>

	Opening Balances	Receipts from MoE	Payments	BOT Contribution	Closing Balances
	\$	\$	\$	\$	\$
2022					
Roofing - project number 238115	-	300,000	(267,252)	-	32,748
Classroom upgrade - project number 238114	-	177,174	(94,333)	-	82,841
SIP projects	176,367	-	(148,801)	-	27,566
Totals	\$ 176,367	\$ 477,174	\$ ( 510,386)	\$ -	\$ 143,155

Represented by:

Funds held on behalf of the Ministry of Education	143,155
	<u>\$ 143,155</u>

15 Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Provision at the start of the year	113,683	113,683	107,506
Increase/(decrease) to the provision during the year	25,528	27,516	19,967
Use of the provision during the year	(6,400)	(27,720)	(13,790)
Other adjustments	1,630	-	-
Provision at the end of the year	<u>\$ 134,441</u>	<u>\$ 113,479</u>	<u>\$ 113,683</u>
Cyclical maintenance - current	27,000	4,050	26,925
Cyclical maintenance - non current	107,441	109,429	86,758
	<u>\$ 134,441</u>	<u>\$ 113,479</u>	<u>\$ 113,683</u>

Per the cyclical maintenance schedule the School in next expected to undertake painting working during 2024. This plan is based on the School's property plan.

The School's 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 property plan.

Notes to the Financial Statements

16 Finance Lease Liability

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No later than one year	15,987	12,439	14,445
Later than one year and no later than five years	9,319	3,109	15,548
Future finance charges	(2,081)	(944)	(2,838)
	<u>\$ 23,225</u>	<u>\$ 14,604</u>	<u>\$ 27,155</u>
Finance lease liability - current	14,466	11,559	12,551
Finance lease liability - non current	8,759	3,045	14,604
	<u>\$ 23,225</u>	<u>\$ 14,604</u>	<u>\$ 27,155</u>

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

18 Remuneration

*Key management personnel compensation*

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

	2023 Actual \$	2022 Actual \$
<i>Board members</i>		
Remuneration	3,075	3,075
<i>Leadership team</i>		
Remuneration	1,130,429	1,084,461
Full-time equivalent members	10.00	10.00
Total key management personnel remuneration	<u>1,133,504</u>	<u>1,087,536</u>

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

Notes to the Financial Statements

18 Remuneration(cont'd)

*Principal*

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

	2023 Actual \$000	2022 Actual \$000
Salaries and other short-term employee benefits:		
Salary and other payments	160-170	150-160
Benefits and other emoluments	4-5	4-5
Termination benefits	-	-

*Other employees*

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

Remuneration \$000	2023 Number	2022 Number
100-110	6	5
110-120	4	2
120-130	1	-

The disclosure for "other employees" does not include remuneration of the Principal.

19 Compensation and Other Benefits Upon Leaving

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

	2023 Actual	2022 Actual
Total	\$ -	\$ -
Number of people	-	-

20 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2023 (Contingent liabilities and assets as 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 analyses 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**

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. The Ministry is in the process of determining wash-up payments or receipts. However, as at the reporting date, this amount has not been calculated and therefore is not recorded in these financial statements.

21 Commitments

(a) Capital commitments

As at 31 December 2023 the Board has not entered into any contract agreements for capital works (Contract agreements for capital works at 31 December 2022: \$nil).

(b) Operating commitments

As at 31 December 2023 the Board has not entered into any operating contracts (Operating commitments as at 31 December 2022: \$nil).



**Notes to the Financial Statements**

**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	171,186	111,762	214,927
Receivables	265,288	256,789	261,504
Investments - bank deposits	331,872	616,171	616,171
<b>Total financial assets measured at amortised cost</b>	<b>\$ 768,346</b>	<b>\$ 984,722</b>	<b>\$ 1,092,602</b>

**Financial liabilities measured at amortised cost**

Payables	401,594	370,843	370,843
Finance leases	23,255	14,604	27,155
<b>Total financial liabilities measured at amortised cost</b>	<b>\$ 424,849</b>	<b>\$ 385,447</b>	<b>\$ 397,998</b>



## INDEPENDENT AUDITOR'S REPORT

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

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

#### Opinion

We have audited the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 03 July 2024. This is the date at which our opinion is expressed.

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

#### Basis for our opinion

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

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

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

#### Responsibilities of the Board for the financial statements

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

The Board 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 arises from the Public Audit Act 2001.

## Other information

The Board is responsible for the other information. The other information comprises the information including List of Board of Trustees, Statement of Responsibility, Statement of Variance, Evaluation of the School's Students' Progress and Achievement, Report on how the School has given effect to Te Tiriti o Waitangi, Statement of Kiwisport Funding and Statement of Compliance with Employment Policy, 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.



## Matt Laing

Partner  
for Deloitte Limited  
On behalf of the Auditor-General  
Hamilton, New Zealand