



CUST SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number:	3325
Principal:	Gerhard Potgieter
School Address:	473 Earlys Road Cust 7471
School Phone:	(03) 312 5733
School Email:	admin@cust.school.nz

Accountant / Service Provider:

89 Nazareth Avenue
Christchurch
Ph: 03 338 4444



CUST SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

Index

Page	Statement
1	Members of the Board
2	Statement of Responsibility
3	Statement of Comprehensive Revenue and Expense
4	Statement of Changes in Net Assets/Equity
5	Statement of Financial Position
6	Statement of Cash Flows
7 - 18	Notes to the Financial Statements
	Independent Auditor's Report

Cust School

Members of the Board

For the year ended 31 December 2023

Name	Position	How Position Gained	Term Expired/ Expires
Tracey George	Presiding Member	Re-elected Aug 2022	Sep 2025
Gerhard Portgieter	Principal ex Officio	Aug-23	
Robert Schuyt	Principal ex Officio		Jul 2023
Anna Riley	Parent Representative	Re-elected Aug 2022	Sep 2025
Luke Thompson	Parent Representative	Elected Aug 2022	Sep 2025
Sam Taylor	Parent Representative	Elected Aug 2022	Sep 2025
Sarah McAllister	Parent Representative	Elected Aug 2022	Sep 2025
Miriam Bell	Staff Representative	Elected Sep 2023	Sep 2025
Shannon McLeod	Staff Representative	Elected Sep 2022	Aug 2023

Cust 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.

Tracey George

Full Name of Presiding Member

Signed by:

BC13AA73287557FC

Signature of Presiding Member

30/05/2024

Date:

Gerhard Potgieter

Full Name of Principal

Signed by:

72EA6ACBF343215F

Signature of Principal

30/05/2024

Date:

Cust School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue				
Government Grants	2	1,508,573	262,000	1,337,393
Locally Raised Funds	3	77,972	58,600	46,980
Interest		6,289	1,000	1,661
Gain on Sale of Property, Plant and Equipment		487	-	-
Total Revenue		1,593,321	321,600	1,386,034
Expense				
Locally Raised Funds	3	39,455	28,500	32,694
Learning Resources	4	1,123,584	141,000	999,156
Administration	5	109,649	85,700	102,372
Interest		2,930	1,500	2,094
Property	6	367,712	64,700	261,458
Loss on Disposal of Property, Plant and Equipment		1,130	-	255
Total Expense		1,644,460	321,400	1,398,029
Net Surplus / (Deficit) for the year		(51,139)	200	(11,995)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(51,139)	200	(11,995)

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

Cust 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		411,201	411,202	423,196
Total comprehensive revenue and expense for the year		(51,139)	200	(11,995)
Equity at 31 December		360,062	411,402	411,201
Accumulated comprehensive revenue and expense		360,062	411,402	411,201
Equity at 31 December		360,062	411,402	411,201

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.

Cust School

Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	7	82,466	174,631	254,681
Accounts Receivable	8	76,807	76,807	69,124
GST Receivable		(6,545)	(6,543)	13,608
Prepayments		3,476	3,476	1,939
Inventories	9	3,050	3,050	3,226
Investments	10	150,000	150,000	-
Funds Receivable for Capital Works Projects	16	-	19,266	55,142
		<u>309,254</u>	<u>420,687</u>	<u>397,720</u>
Current Liabilities				
Accounts Payable	12	83,325	83,017	152,475
Revenue Received in Advance	13	8,898	8,898	-
Provision for Cyclical Maintenance	14	3,779	3,779	13,651
Finance Lease Liability	15	12,534	12,354	17,385
		<u>108,536</u>	<u>108,048</u>	<u>183,511</u>
Working Capital Surplus/(Deficit)		200,718	312,639	214,209
Non-current Assets				
Property, Plant and Equipment	11	262,276	232,269	276,269
		<u>262,276</u>	<u>232,269</u>	<u>276,269</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	88,322	118,896	72,619
Finance Lease Liability	15	14,610	14,610	6,658
		<u>102,932</u>	<u>133,506</u>	<u>79,277</u>
Net Assets		<u>360,062</u>	<u>411,402</u>	<u>411,201</u>
Equity		<u>360,062</u>	<u>411,402</u>	<u>411,201</u>

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

Cust 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		348,409	262,000	352,288
Locally Raised Funds		86,691	67,319	46,098
Goods and Services Tax (net)		20,153	20,151	19,151
Payments to Employees		(240,431)	(126,766)	(191,460)
Payments to Suppliers		(271,597)	(191,062)	(126,319)
Interest Paid		(2,930)	(1,500)	(2,094)
Interest Received		6,300	1,011	1,650
Net cash from/(to) Operating Activities		(53,405)	31,153	99,314
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(2,882)	-	
Purchase of Investments		(150,000)	(150,000)	(5,774)
Net cash from/(to) Investing Activities		(152,882)	(150,000)	(5,774)
Cash flows from Financing Activities				
Finance Lease Payments		(21,070)	2,921	(21,457)
Funds Administered on Behalf of Other Parties		55,142	35,876	(61,052)
Net cash from/(to) Financing Activities		34,072	38,797	(82,509)
Net increase/(decrease) in cash and cash equivalents		(172,215)	(80,050)	11,031
Cash and cash equivalents at the beginning of the year	7	254,681	254,681	243,650
Cash and cash equivalents at the end of the year	7	82,466	174,631	254,681

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.

Cust School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

Cust School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2023 to 31 December 2023 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial Reporting Standards Applied

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as 'having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders'.

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expense threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 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 20.

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) 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.

e) 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.

f) 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.

g) Inventories

Inventories are consumable items held for sale and are comprised of stationery and 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.

h) 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.

i) Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value, as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Gains and losses on disposals (i.e. sold or given away) are determined by comparing the proceeds received with the carrying amounts (i.e. the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	10–75 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

j) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

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

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

In determining fair value less costs to sell, the School engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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.

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.

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.

m) Revenue Received in Advance

Revenue received in advance relates to fees received from grants received [Principal Coaching/Wellbeing, and Public Sector Pay adjustment] 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.

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.

The School's financial liabilities comprise accounts payable, borrowings, 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.

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.

x) Services received in-kind

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

2. Government Grants

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Government Grants - Ministry of Education	348,409	262,000	347,188
Teachers' Salaries Grants	884,529	-	801,764
Use of Land and Buildings Grants	275,635	-	188,441
	<u>1,508,573</u>	<u>262,000</u>	<u>1,337,393</u>

The school has not opted in to the donations scheme for this year.

3. Locally Raised Funds

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Revenue			
Donations & Bequests	33,774	29,000	16,851
Fees for Extra Curricular Activities	37,745	23,100	21,322
Trading	4,793	6,500	8,807
Fundraising & Community Grants	1,660	-	-
	<u>77,972</u>	<u>58,600</u>	<u>46,980</u>
Expense			
Extra Curricular Activities Costs	31,662	22,000	23,010
Trading	7,793	6,500	9,684
	<u>39,455</u>	<u>28,500</u>	<u>32,694</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>38,517</u>	<u>30,100</u>	<u>14,286</u>

4. Learning Resources

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	30,070	24,500	25,299
Information and Communication Technology	8,321	7,000	7,596
Library Resources	176	3,500	756
Employee Benefits - Salaries	1,026,773	55,000	911,803
Staff Development	15,840	7,000	9,878
Depreciation	42,404	44,000	43,824
	<u>1,123,584</u>	<u>141,000</u>	<u>999,156</u>

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	6,352	5,500	5,513
Board Fees	3,850	4,500	2,648
Board Expenses	11,537	4,500	7,657
Communication	2,436	3,700	4,544
Consumables	9,935	9,000	8,421
Other	20,413	19,000	18,700
Employee Benefits - Salaries	55,126	39,500	54,889
	<u>109,649</u>	<u>85,700</u>	<u>102,372</u>

6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	3,270	4,000	4,054
Cyclical Maintenance	5,831	8,000	13,651
Grounds	3,369	3,000	3,074
Heat, Light and Water	12,172	10,000	10,006
Rates	3,475	3,000	3,100
Repairs and Maintenance	29,358	13,200	11,341
Use of Land and Buildings	275,635	-	188,441
Employee Benefits - Salaries	34,602	23,500	27,791
	<u>367,712</u>	<u>64,700</u>	<u>261,458</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	82,466	174,631	254,681
Cash and cash equivalents for Statement of Cash Flows	<u>82,466</u>	<u>174,631</u>	<u>254,681</u>

The following notes should be used where applicable:

Of the \$82,466 Cash and Cash Equivalents, \$6,903 unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

8. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	179	179	-
Interest Receivable	-	-	11
Teacher Salaries Grant Receivable	76,628	76,628	69,113
	<u>76,807</u>	<u>76,807</u>	<u>69,124</u>
Receivables from Exchange Transactions	179	179	11
Receivables from Non-Exchange Transactions	76,628	76,628	69,113
	<u>76,807</u>	<u>76,807</u>	<u>69,124</u>

9. Inventories

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
School Uniforms	3,050	3,050	3,226
	<u>3,050</u>	<u>3,050</u>	<u>3,226</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	150,000	150,000	-
	<u>150,000</u>	<u>150,000</u>	<u>-</u>

11. Property, Plant and Equipment

2023	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Buildings	183,474				(7,442)	176,032
Furniture and Equipment	51,771	556			(10,169)	42,158
Information and Communication Technology	3,439	3,106			(1,715)	4,830
Leased Assets	22,621	24,171			(21,135)	25,657
Library Resources	14,964	1,467	(890)		(1,943)	13,599
Balance at 31 December 2023	<u>276,269</u>	<u>29,300</u>	<u>(890)</u>	<u>-</u>	<u>(42,404)</u>	<u>262,276</u>

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 \$
Buildings	261,141	(85,109)	176,032	261,141	(77,667)	183,474
Furniture and Equipment	145,228	(103,070)	42,158	144,672	(92,901)	51,771
Information and Communication Technology	40,893	(36,063)	4,830	37,788	(34,349)	3,439
Leased Assets	72,336	(46,679)	25,657	113,263	(90,642)	22,621
Library Resources	27,327	(13,728)	13,599	27,494	(12,530)	14,964
Balance at 31 December 2023	<u>546,925</u>	<u>(284,649)</u>	<u>262,276</u>	<u>584,358</u>	<u>(308,089)</u>	<u>276,269</u>

12. Accounts Payable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Creditors	1,314	1,314	68,120
Accruals	6,438	6,438	7,838
Banking Staffing Overuse	(3,632)	(3,939)	-
Employee Entitlements - Salaries	76,349	76,349	69,113
Employee Entitlements - Leave Accrual	2,856	2,856	7,404
	<u>83,325</u>	<u>83,018</u>	<u>152,475</u>
Payables for Exchange Transactions	83,325	83,018	152,475
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)			
Payables for Non-exchange Transactions - Other			
	<u>83,325</u>	<u>83,018</u>	<u>152,475</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	8,898	8,898	-
	<u>8,898</u>	<u>8,898</u>	<u>-</u>

14. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	86,270	72,619	72,619
Increase to the Provision During the Year	36,405	8,000	13,651
Other Adjustments	(30,574)	-	-
Provision at the End of the Year	<u>92,101</u>	<u>80,619</u>	<u>86,270</u>
Cyclical Maintenance - Current	3,779	3,779	13,651
Cyclical Maintenance - Non current	88,322	118,896	72,619
	<u>92,101</u>	<u>122,675</u>	<u>86,270</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan.

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	15,410	15,410	18,576
Later than One Year and no Later than Five Years	16,084	16,084	7,072
Later than Five Years	(4,349)	(1,500)	(1,606)
	<u>27,145</u>	<u>29,994</u>	<u>24,042</u>
Represented by			
Finance lease liability - Current	12,534	12,354	17,385
Finance lease liability - Non current	14,610	14,610	6,658
	<u>27,144</u>	<u>26,964</u>	<u>24,043</u>

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 9.

2023	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
MOE - SIP Project - Project number	(46,746)	22,556	24,190		-
Combine Blocks 2 & 6 (New Block 10) - Project number 216618 & 217757	(8,396)	57,603	(55,815)	6,608	-
Totals	<u>(55,142)</u>	<u>80,159</u>	<u>(31,625)</u>	<u>6,608</u>	<u>-</u>

Represented by:

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

2022	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
MOE - SIP Project - Project number	(4,336)		(42,410)		(46,746)
Combine Blocks 2 & 6 (New Block 10) - Project number 2	10,246	139,054	(157,696)		(8,396)
Totals	<u>5,910</u>	<u>139,054</u>	<u>(200,106)</u>	<u>-</u>	<u>(55,142)</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	55,142

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	3,850	2,648
<i>Leadership Team</i> Remuneration Full-time equivalent members	251,637 3	231,189 2
Total key management personnel remuneration	255,487	233,837

There are 7 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance Committee (2 members) that meet 8 times and Property Committee (2 members) that meet 8 times. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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	70 - 80	130 - 140
Benefits and Other Emoluments	10 - 20	20 - 30
Termination Benefits	-	-

Principal 2

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	70 - 80	0 - 10
Benefits and Other Emoluments	0 - 5	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	1.00	0.00
	1.00	0.00

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

19. 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).

The Board was notified of a claim of \$10,000 alleging a breach of contract. The Board has not recognised this matter in the financial 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.

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 of the actual eligible staff members employed in 2023. The Ministry is in the process of determining wash-up payments or receipts for the year ended 31 December 2023. However, as at the reporting date, this amount had not been calculated and therefore is not recorded in these financial statements

20. Commitments

(a) Capital Commitments

at 31 December 2023, the Board had no capital commitment.

(b) Operating Commitments

As at 31 December 2023, the Board has entered into no contracts.

21. 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	82,466	174,631	254,681
Receivables	76,807	76,807	69,124
Investments - Term Deposits	150,000	150,000	-
Total financial assets measured at amortised cost	309,273	401,438	323,805

Financial liabilities measured at amortised cost

Payables	83,325	83,018	152,475
Finance Leases	27,144	26,964	24,043
Total financial liabilities measured at amortised cost	110,469	109,982	176,518

22. Events After Balance Date

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

Cust School - Statement of Variance

Strategic Goal 1: Aspirational teaching and learning

Annual Target/Goal: By the end of the year all year 3 and year 6 students will recall basic facts - 75% will achieve 90% or more in their basic facts assessment

<p>Actions List all the actions from your Annual Implementation Plan for this Annual Target/Goal.</p>	<p>What did we achieve? What were the outcomes of our actions? What impact did our actions have?</p>	<p>Evidence This is the sources of information the board used to determine those outcomes.</p>	<p>Reasons for any differences (variances) between the target and the outcomes Think about both where you have exceeded your targets or not yet met them.</p>	<p>Planning for next year – where to next? What do you need to do to address targets that were not achieved. Consider if these need to be included in your next annual implementation plan.</p>
<p>Action 1: For year 3 students</p>	<p>Outcomes showed that by the end of 2023 we moved from: Mid year - 5% achieved 90% or more for addition End of year - 56% achieved 90% or more for addition Mid year - 0% achieved 90% or more for subtraction End of year - 32% achieved 90% or more for subtraction</p>	<p>Standardised basic facts test. The test was used termly. Timeframe for each test is 5 minutes. The test is done from yr 3-8.</p>	<p>We saw significant shifts for both addition and subtraction from mid year to end of year Addition 5% to 56% Subtraction 0% to 32% This was largely because students were getting daily and consistent practice. By the end of the year, students have had multiple exposures to the test and consistent basic facts practice. Staff felt that the target established i.e. that we would get 75% of our kids achieving 90% or</p>	<p>Consistent basic facts programme - especially year 3-8. Termly basic facts test to monitor progress and outcomes. The outcomes for term 1 2024 for this cohort have been (this data was collated in the first week of the term): Addition: 37% Subtraction: 7% This data suggests that we need to work on consolidation and automaticity and that we need to continue to monitor student basic scores regularly.</p>

			<p>more was very ambitious. Students were still getting used to test and to test conditions. All students from year 3-8 do the same test in the same timeframe. We encouraged weekly home support through homework and parents supporting their children at home with basic facts practice.</p>	
<p><i>Action 2: For year 6 students</i></p>	<p>Mid year - 79% achieved 90% or more for addition End of year - 92% achieved 90% or more for addition Mid year - 71% achieved 90% or more for subtraction End of year - 92% achieved 90% or more for subtraction Mid year - 57% achieved 90% or more for multiplication End of year - 92% achieved 90% or more for multiplication Mid year - 36% achieved 90% or more for division End of year - 83% achieved 90% or more for division</p>	<p>Standardised basic facts test. The test was used termly. The timeframe is 5 minutes. The test is done from yr 3-8.</p>	<p>We saw significant shifts in all four areas and achieved a lot more closer to what had set out in the start of the year i.e. achieving 90% or more. We achieved 90% with addition, subtraction and multiplication. Staff had a consistent effort in daily basic facts practice and regular monitoring of student progress.</p>	<p>The term 1 data for this cohort were: Addition = 100% Subtraction = 100% Multiplication = 55% Division = 36% This indicates to us that we have consolidated addition and subtraction. However, we need further consolidation for multiplication and division. It will be of interest to the school how this cohort tracks for the rest of 2024 for us to determine what else we need to implement.</p>

Annual Target/Goal: By the end of 2023, 85% of our Maori children will be reading at or above using our OTJ.

Actions <i>List all the actions from your Annual Implementation Plan for this Annual Target/Goal.</i>	What did we achieve? <i>What were the outcomes of our actions? What impact did our actions have?</i>	Evidence <i>This is the sources of information the board used to determine those outcomes.</i>	Reasons for any differences (variances) between the target and the outcomes <i>Think about both where you have exceeded your targets or not yet met them.</i>	Planning for next year – where to next? <i>What do you need to do to address targets that were not achieved. Consider if these need to be included in your next annual implementation plan.</i>
Action 1: 85% of our Maori students achieve at or above with reading.	<p>Our mid year data indicated that 10 out of our 14 Māori students achieved at or above. This is 71% of our students.</p> <p>End of year data indicated 12/14 of our Māori students achieved at or above. This is 86% of our students.</p> <p>This indicated that we achieved our target by the end of the year.</p>	<p>We used overall teacher judgement to collate this information. This comprised of: running records, daily classroom observations and anecdotal information, spelling tests and E-Asttle reading assessments.</p>	<p>We have started with a structure literacy approach in our junior classes. Along with this, we started to implement The Code in all classes as well. We have continued to implement High Intensity Teaching Strategies (HITS) in all classes. Teachers are very explicit and intentional in the way they teach reading. This includes giving an hour of reading time (at least) daily.</p>	<p>Ensure that we are consistent in our practice and that there is a scope and sequence that is accumulative and builds on from each other.</p> <p>Teachers have the opportunity to observe and provide feedback to one another.</p> <p>Put in a PLD application for 2025 to access support and PLD - especially for spelling programme implementation and structure literacy approach.</p>

Kiwi Sport Funding

During 2023 our Kiwisport funds were mainly utilised to access sporting opportunities through transportation to and from venues, such as winter sports events in Rangiora, athletics and swimming competitions. Due to our school being a rural school, transportation tends to be a big expense. We also utilised some of the funds to create further opportunities by employing a gymnastics tutor to come in to our school and four full day sessions with all of our classes. Lastly, the fund was used to replace and buy some sports equipment such as football balls.

How Cust School has given effect to Te Tiriti o Waitangi

At Cust school, we give effect to Te Tiriti in a range of different ways. These include:

See:

- Reo and whakatauki in newsletters
- Reo in emails and other forms of communication
- Signage around the school
- Hui - community coming together

Hear:

- Greetings by staff and students
- Mihi - a form of mihi whakatau - to welcome new staff and students
- NZ History being taught and referenced
- Waiata on different occasions and in class
- Kapa Haka - being esteemed, celebrated and very well resourced. Along with this our PTA fundraised \$15000 towards a new Kapa Haka uniform
- Whanau hui and consultation
- Te Reo being taught, valued and practiced in class time

Feel:

- Values - sense of Manaakitanga and whanaungatanga can be felt at our kura by kaioko, tamariki and whānau
- Maori students are being valued - for who they are and what they can do - academically and in other aspects of school life

Māori have the same rights and opportunities as non Maori students. All cultures are valued, appreciated and respected.

Māori voice is being heard and saught.

Statement of compliance with employment policy

Reporting on the principles of being a Good Employer	
How have you met your obligations to provide good and safe working conditions?	Yes
What is in your equal employment opportunities programme? How have you been fulfilling this programme?	Consistently consulting with staff to hear if there are any concerns and addressing them in a collaborative manner when they arise. Providing and encouraging professional development opportunities when suitable. Weekly staff and regular syndicate meetings. Reviewing employment and personnel policies and processes. Ensuring that our school environment and culture is a safe and inclusive for all staff and that all staff feel valued.
How do you practise impartial selection of suitably qualified persons for appointment?	Multiple people on review panel. Same information is shared with all candidates. Advertised on Education Gazette. Transparency with the process. Inform the board - and including a board member in the process. Referees are being contacted and asked questions. Interviews - same questions to all candidates and following the same process. Candidates (both successful and unsuccessful are notified).
How are you recognising, <ul style="list-style-type: none"> - The aims and aspirations of Māori, - The employment requirements of Māori, and - Greater involvement of Māori in the Education service? 	It is our aim to always ensure that: <ul style="list-style-type: none"> - treat all staff fairly including any Māori staff members - gaining staff voice including Māori opinion - work to eliminate bias and discrimination.
How have you enhanced the abilities of individual employees?	Offered PLG opportunities. All staff are on a PGC - either individually or in a group. Staff observations and feedback Syndicate meetings Staff meetings A safe place to work that cares for peoples wellbeing
How are you recognising the employment requirements of women?	All women are being respected and valued at all times. There is no discrimination.
How are you recognising the employment requirements of persons with disabilities?	There is no discrimination at our school. All staff are respected and valued.

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

Reporting on Equal Employment Opportunities (EEO) Programme/Policy	YES	NO
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?		No
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	