

BERKLEY NORMAL MIDDLE SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 1695

Principal: Nathan Leith

School Address: 26 Berkley Avenue, Hillcrest, Hamilton

School Postal Address: 26 Berkley Avenue, Hillcrest, Hamilton 3216

School Phone: 07 856 6537

School Email: office@berkley.school.nz

Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Angela Strange	Presiding Member	Elected	Aug-25
Carl Allen	Deputy Presiding Member	Elected	Aug-25
Nathan Leith	Principal	ex Officio	
Owen Culliney	Parent Representative	Elected	Aug-25
Hongwei Di	Parent Representative	Elected	Aug-25
Charlotte Watson	Parent Representative	Elected	Aug-25
Sandra Woods	Secretary	Elected	Aug-25
Jeong Hyun	Staff Representative	Elected	Aug-25

Accountant / Service Provider: SRN Partners Chartered Accountants Ltd

BERKLEY NORMAL MIDDLE SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Berkley Normal Middle 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.

Angela Strange
Full Name of Presiding Member

Nathan Leith
Full Name of Principal

AK Strange
Signature of Presiding Member

[Signature]
Signature of Principal

5-7-24
Date:

5.7.24
Date:

Berkley Normal Middle 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	6,986,543	6,531,858	6,167,769
Locally Raised Funds	3	754,963	631,300	598,353
Interest		105,183	35,000	34,338
Gain on Sale of Property, Plant and Equipment		17,391	-	-
Total Revenue		7,864,080	7,198,158	6,800,460
Expense				
Locally Raised Funds	3	407,161	400,000	174,672
Learning Resources	4	5,179,383	4,736,100	4,586,165
Administration	5	400,643	438,200	449,328
Interest		4,630	-	2,737
Property	6	1,626,565	1,512,590	1,068,558
Loss on Disposal of Property, Plant and Equipment	11	5,624	-	15,618
Total Expense		7,624,006	7,086,890	6,297,078
Net Surplus / (Deficit) for the year		240,074	111,268	503,382
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		240,074	111,268	503,382

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



Berkley Normal Middle 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		3,153,260	3,153,260	2,649,878
Total comprehensive revenue and expense for the year		240,074	111,268	503,382
Equity at 31 December		3,393,334	3,264,528	3,153,260
Accumulated comprehensive revenue and expense Reserves		3,393,334 -	3,264,528 -	3,153,260 -
Equity at 31 December		3,393,334	3,264,528	3,153,260

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.



Berkley Normal Middle 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	183,352	109,628	86,266
Accounts Receivable	8	504,090	499,000	460,005
GST Receivable		38,830	38,800	18,657
Prepayments		36,533	36,500	98,085
Inventories	9	3,400	3,400	3,421
Investments	10	1,920,467	1,900,000	1,491,979
Funds Receivable for Capital Works Projects	16	88,375	71,000	159,043
		<u>2,775,047</u>	<u>2,658,328</u>	<u>2,317,456</u>
Current Liabilities				
Accounts Payable	12	549,054	548,100	389,136
Revenue Received in Advance	13	181,726	249,000	140,762
Provision for Cyclical Maintenance	14	27,952	28,700	32,184
Finance Lease Liability	15	65,280	65,000	51,795
Funds held for Capital Works Projects	16	73,527	71,000	-
Funds held on behalf of School Cluster	18	56,554	-	-
		<u>954,093</u>	<u>961,800</u>	<u>613,877</u>
Working Capital Surplus/(Deficit)		1,820,954	1,696,528	1,703,579
Non-current Assets				
Property, Plant and Equipment	11	1,654,346	1,649,000	1,537,655
		<u>1,654,346</u>	<u>1,649,000</u>	<u>1,537,655</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	38,836	38,000	42,682
Finance Lease Liability	15	43,130	43,000	45,292
		<u>81,966</u>	<u>81,000</u>	<u>87,974</u>
Net Assets		<u>3,393,334</u>	<u>3,264,528</u>	<u>3,153,260</u>
Equity		<u>3,393,334</u>	<u>3,264,528</u>	<u>3,153,260</u>

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



Berkley Normal Middle 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		1,987,354	1,999,042	1,792,268
Locally Raised Funds		748,720	884,300	575,003
International Students		47,115	(32,500)	64,206
Goods and Services Tax (net)		(20,174)	(34,430)	24,675
Payments to Employees		(941,129)	(663,000)	(907,811)
Payments to Suppliers		(1,217,908)	(1,409,257)	(1,061,001)
Interest Paid		(117,284)	-	(2,737)
Interest Received		90,317	21,000	34,590
Net cash from/(to) Operating Activities		577,011	765,155	519,193
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		17,391	-	
Purchase of Property Plant & Equipment (and Intangibles)		(362,657)	(367,705)	(366,753)
Purchase of Investments		(428,489)	(418,000)	
Proceeds from Sale of Investments		-	-	44,070
Net cash from/(to) Investing Activities		(773,755)	(785,705)	(322,683)
Cash flows from Financing Activities				
Finance Lease Payments		93,082	39,275	(47,393)
Funds Administered on Behalf of Other Parties		200,748	-	(161,058)
Net cash from/(to) Financing Activities		293,830	39,275	(208,451)
Net increase/(decrease) in cash and cash equivalents		97,086	18,725	(11,941)
Cash and cash equivalents at the beginning of the year	7	86,266	90,903	98,207
Cash and cash equivalents at the end of the year	7	183,352	109,628	86,266

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.



Berkley Normal Middle School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

Berkley Normal Middle 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 22.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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



f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is material.

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

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
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	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 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.

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

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

l) Accounts Payable

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

m) Employee Entitlements*Short-term employee entitlements*

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

Long-term employee entitlements

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

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

n) Revenue Received in Advance

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

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 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.



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 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.

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.

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

r) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

s) 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.

t) 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	1,987,354	1,536,858	1,637,187
Teachers' Salaries Grants	3,903,213	3,900,000	3,560,287
Use of Land and Buildings Grants	1,095,976	1,095,000	970,295
	<u>6,986,543</u>	<u>6,531,858</u>	<u>6,167,769</u>

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	88,868	72,000	72,728
Fees for Extra Curricular Activities	536,631	452,700	442,273
Trading	51,299	49,100	34,828
Fundraising & Community Grants	-	-	11,518
Other Revenue	7,500	7,500	10,350
International Student Fees	70,665	50,000	26,656
	<u>754,963</u>	<u>631,300</u>	<u>598,353</u>
Expense			
Extra Curricular Activities Costs	366,394	360,000	137,606
Trading	40,767	40,000	37,066
	<u>407,161</u>	<u>400,000</u>	<u>174,672</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>347,802</u>	<u>231,300</u>	<u>423,681</u>

4. Learning Resources

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	263,932	113,700	286,094
Information and Communication Technology	5,132	7,700	5,525
Library Resources	6,062	16,000	6,828
Employee Benefits - Salaries	4,547,556	4,337,700	3,986,494
Staff Development	37,272	41,000	27,841
Depreciation	319,429	220,000	273,383
	<u>5,179,383</u>	<u>4,736,100</u>	<u>4,586,165</u>

During the year ended December 2023, the Principal travelled to Singapore at a cost of \$5,307 to attend the World Eduhead Conference. The purpose of the trip was to look at the future of education with a sense of purpose in our current uncertain world.

Travel was also undertaken by students to Noumea at a cost of \$2,491 to experience a new language and culture.

Travel was also undertaken by students to Japan to experience a new language and culture. The Principal travels with the students and all costs are funded by a reciprocal visit of Japanese students to our school.



5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	5,737	5,800	5,570
Board Fees	2,250	3,000	3,150
Board Expenses	4,981	2,500	5,468
Communication	12,036	12,000	18,236
Consumables	24,902	28,800	40,168
Other	81,535	120,100	93,672
Employee Benefits - Salaries	236,207	236,300	260,398
Insurance	29,006	25,700	18,486
Service Providers, Contractors and Consultancy	3,989	4,000	4,180
	400,643	438,200	449,328

6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	10,166	10,000	12,599
Consultancy and Contract Services	107,565	102,190	94,344
Cyclical Maintenance	32,152	32,500	(273,422)
Grounds	46,491	37,500	48,679
Heat, Light and Water	39,571	37,300	37,938
Rates	9,640	9,500	8,719
Repairs and Maintenance	204,850	111,100	81,589
Use of Land and Buildings	1,095,976	1,095,000	970,295
Security	8,973	7,500	7,073
Employee Benefits - Salaries	71,181	70,000	80,744
	1,626,565	1,512,590	1,068,558

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	183,352	109,628	86,266
Cash and cash equivalents for Statement of Cash Flows	183,352	109,628	86,266

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



8. Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Receivables	11,146	7,000	11,054
Interest Receivable	22,417	22,000	7,552
Banking Staffing Underuse	123,459	123,000	171,646
Teacher Salaries Grant Receivable	347,068	347,000	269,753
	<u>504,090</u>	<u>499,000</u>	<u>460,005</u>
Receivables from Exchange Transactions	33,563	29,000	18,606
Receivables from Non-Exchange Transactions	470,527	470,000	441,399
	<u>504,090</u>	<u>499,000</u>	<u>460,005</u>

9. Inventories

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Stationery	3,400	3,400	3,421
	<u>3,400</u>	<u>3,400</u>	<u>3,421</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	1,920,468	1,900,000	1,491,979
Total Investments	<u>1,920,468</u>	<u>1,900,000</u>	<u>1,491,979</u>



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Buildings	623,462	11,471	-	-	(52,800)	582,133
Furniture and Equipment	426,241	99,694	(2,577)	-	(79,380)	443,978
Information and Communication Technology	268,602	76,390	-	-	(85,262)	259,730
Motor Vehicles	96,949	168,857	-	-	(33,721)	232,085
Leased Assets	83,697	73,941	-	-	(62,385)	95,253
Library Resources	38,704	11,390	(3,046)	-	(5,881)	41,167
Balance at 31 December 2023	1,537,655	441,743	(5,623)	-	(319,429)	1,654,346

The net carrying value of furniture and equipment held under a finance lease is \$95,253 (2022: \$73,941)

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
	\$	\$	\$	\$	\$	\$
Buildings	1,883,435	(1,301,302)	582,133	1,876,819	(1,253,357)	623,462
Furniture and Equipment	1,148,916	(704,938)	443,978	1,118,444	(692,203)	426,241
Information and Communication Technology	451,966	(192,236)	259,730	385,643	(117,041)	268,602
Motor Vehicles	303,586	(71,501)	232,085	230,249	(133,300)	96,949
Leased Assets	294,979	(199,726)	95,253	376,738	(293,041)	83,697
Library Resources	103,499	(62,332)	41,167	119,760	(81,056)	38,704
Balance at 31 December 2023	4,186,381	(2,532,035)	1,654,346	4,107,653	(2,569,998)	1,537,655

12. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	109,519	109,000	37,927
Accruals	11,162	11,100	10,753
Employee Entitlements - Salaries	385,899	354,000	302,363
Employee Entitlements - Leave Accrual	42,474	74,000	38,093
	549,054	548,100	389,136
Payables for Exchange Transactions	549,054	548,100	389,136
Payables for Non-exchange Transactions - Other	-	-	-
	549,054	548,100	389,136

The carrying value of payables approximates their fair value.



13. Revenue Received in Advance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
International Student Fees in Advance	56,000	59,000	79,550
Other revenue in Advance	125,726	190,000	61,212
	<u>181,726</u>	<u>249,000</u>	<u>140,762</u>

14. Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Provision at the Start of the Year	74,866	42,680	371,808
Increase to the Provision During the Year	32,152	32,500	32,152
Use of the Provision During the Year	(40,230)	-	(23,520)
Other Adjustments	-	-	(305,574)
Provision at the End of the Year	<u>66,788</u>	<u>75,180</u>	<u>74,866</u>
Cyclical Maintenance - Current	27,952	28,700	32,184
Cyclical Maintenance - Non current	38,836	38,000	42,682
	<u>66,788</u>	<u>66,700</u>	<u>74,866</u>

The schools cyclical maintenance schedule details annual painting to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on a painting contract with Carus.

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	65,953	65,600	53,847
Later than One Year and no Later than Five Years	43,348	43,200	54,925
Future Finance Charges	(891)	(800)	(11,685)
	<u>108,410</u>	<u>108,000</u>	<u>97,087</u>
Represented by			
Finance lease liability - Current	65,280	65,000	51,795
Finance lease liability - Non current	43,130	43,000	45,292
	<u>108,410</u>	<u>108,000</u>	<u>97,087</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 \$
Carpet Replacement	232,034	(10,832)		(24,508)	-	(35,340)
HVAC Upgrade	238,231	(266)	266	-	-	-
Cultural Centre Refurbishment	230,690	(50,897)			-	(50,897)
Roofing Repairs	230,686	(1,417)	76,957	(46,986)	-	28,554
Weather Tightness	230,691	(95,631)	95,631	-	-	-
Roofing Replacement	245,523	-	29,858	(31,996)	-	(2,138)
Removal of Trees	246,162	-	5,598	(5,598)	-	-
Drainage Repairs	230,687	-	65,943	(20,970)	-	44,973
Totals		(159,043)	274,253	(130,058)	-	(14,848)

Represented by:

Funds Held on Behalf of the Ministry of Education	73,527
Funds Receivable from the Ministry of Education	(88,375)

	2022	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
SIP Funding	222933	7,712	1,338	(9,050)		-
Carpet Replacement	232034	(5,697)	-	(5,135)		(10,832)
HVAC Upgrade	238231	-	27,751	(28,017)		(266)
Performing Arts Centre Upgrade		-	-	(50,897)		(50,897)
Roofing Repairs	230686	-	-	(1,417)		(1,417)
Weather Tightness	230691	-	-	(95,631)		(95,631)
Totals		2,015	29,089	(190,147)	-	(159,043)

Represented by:

Funds Receivable from the Ministry of Education	(159,043)
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17. Related Party Transactions

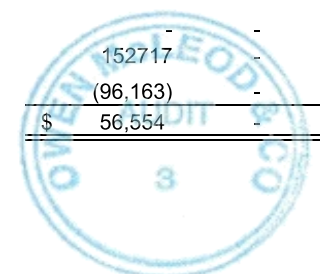
The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these 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. Funds held on behalf of Kahui Ako Attendance Officer

Berkley School is the lead School and holds funds on behalf of the Attendance Officer Cluster

	2023	2022
Funds held at the beginning of the year	-	-
Funds received from MOE	152,717	-
Funds spent on behalf of cluster	(96,163)	-
MOE Funds held at the end of the year	\$ 56,554	-



19. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	2,250	3,150
 <i>Leadership Team</i>		
Remuneration	496,489	591,235
Full-time equivalent members	3	4
 Total key management personnel remuneration	498,739	594,385

There are 7 members of the Board excluding the Principal. The Board has held 8 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 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	200 - 210	190 - 200
Benefits and Other Emoluments	0 - 5	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
150 - 160	1	1
130 - 140	1	1
120 - 130	0	0
110 - 120	4	0
100 - 110	6	3
	12	5

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

20. Compensation and Other Benefits Upon Leaving

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

	2023 Actual	2022 Actual
Total	-	-
Number of People	-	-



21. Contingencies

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

Holidays Act Compliance – Schools Payroll

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

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

Pay Equity settlement wash-up amounts

In 2023 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. The school is yet to receive a final wash-up that adjusts the estimated quarterly instalments for the actual eligible staff members employed in 2023. The Ministry is in the process of determining wash-up payments or receipts for the year ended 31 December 2023. However, as at the reporting date, this amount had not been calculated and therefore is not recorded in these financial statements.

22. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$71,389 (2022:\$Nil) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Carpet Replacement	35,340	35,340	-
Drainage Repairs	65,943	20,970	44,973
Roofing Repairs	108,953	82,537	26,416
Cultural Centre Refurbishment	50,897	50,897	-
Total	261,133	189,744	71,389

(b) Operating Commitments

As at 31 December 2023, the Board has entered into a contract agreement with Carus Group Ltd for the painting of the School's Buildings:

	2023 Actual \$	2022 Actual \$
No later than One Year	44,990	50,280
Later than One Year and No Later than Five Years	82,170	127,160
	127,160	177,440



23. 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	183,352	109,628	86,266
Receivables	504,090	499,000	460,005
Investments - Term Deposits	1,920,468	1,900,000	1,491,979
Total financial assets measured at amortised cost	<u>2,607,910</u>	<u>2,508,628</u>	<u>2,038,250</u>

Financial liabilities measured at amortised cost

Payables	549,054	548,100	389,136
Finance Leases	108,410	108,000	97,087
Total financial liabilities measured at amortised cost	<u>657,464</u>	<u>656,100</u>	<u>486,223</u>

24. Events After Balance Date

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

25. Comparatives

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

26. Breach of law - Failure to meet statutory reporting deadline 31 March

While the school provided all financial information to the accountant in sufficient time for the annual financial statements to be submitted for Audit by the 31st March, the accountant was unable to meet the reporting deadline due to a combination of understaffing and staff illness. Accordingly the accountant accepts the responsibility for this legislative breach of section 135 of the Education and Training Act 2020.



Berkley Normal Middle School

Kiwisport Note

For the year ended 31 December 2023

Kiwisport is a government funding initiative to support students' participation in organised sport. In 2023 the school received total Kiwisport funding of \$11,629 excluding GST (2021: \$11,052) This funding was spent on wages for the Sports Co-ordinator.

Statement of Compliance with Employment Policy

For the year ended 31st December 2023 the Berkley Normal Middle School Board:

- Has developed and implemented personnel policies, with policy and procedural frame works to ensure the fair and proper treatment of employees in all aspects of their employment.
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated accordingly to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.