

BARADENE COLLEGE OF THE SACRED HEART

GROUP ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	61
Principal:	Sandy Pasley
School Address:	237 Victoria Avenue Remuera
School Postal Address:	Private Bag 28 906 Remuera Auckland 1541
School Phone:	09 524 6019
School Email:	admin@baradene.school.nz

Members of the Board

Position	Name	How Position Gained	Term Expired/ Expires
Presiding Member	Ms Gillian Chappell	Elected June 2016 and June 2019. Appointed 2021	
Principal ex Officio	Mrs Sandy Pasley	ex officio	
Parent Representative	Mrs Liz O'Neil	Elected June 2019, Sept 2022	Sep 2025
Parent Representative	Mrs Terisa Cordtz	Elected Sept 2022	Sep 2025
Parent Representative	Mr Justin Luen	Elected Sept 2022	Sep 2025
Parent Representative	Ms Therese Singleton	Elected Sept 2022	Sep 2025
Parent Representative	Mrs Lisa Courtney	Elected Sept 2022	Sep 2025
Parent Representative	Mr Michael Stowers	Elected June 2016, June 2019	Sep 2022
Parent Representative	Mrs Eva Comforth	Elected June 2019	Sep 2022
Parent Representative	Mrs Robert McDonnell	Elected June 2019	Sep 2022
Baradene College Ltd Rep	Sr Elizabeth Snedden	Appointed April 2010	
Baradene College Ltd Rep	Mr Richard James	Appointed April 2010	
Baradene College Ltd Rep	Mrs Catherine Ryan	Appointed April 2012	
Staff Representative	Mrs Gabrielle Smyth	Elected Sept 2022	Sep 2025
Student Rep	Amy Mason	Elected Sept 2022	Sep 2023
Student Rep	Sofia Olan	Elected Sept 2021	Sep 2022
Accountant / Service Provider:	In House		

BARADENE COLLEGE OF THE SACRED HEART

Group Annual Report - For the year ended 31 December 2022

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BARADENE COLLEGE OF THE SACRED HEART

Statement of Responsibility

For the year ended 31 December 2022

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 2022 fairly reflects the financial position and operations of the school.

The School's 2022 financial statements are authorised for issue by the Board.

GILLIAN CHAPPELL
Full Name of Presiding Member


Signature of Presiding Member

14/12/24
Date:

Alexandra Anne Pasley
Full Name of Principal


Signature of Principal

13/12/24
Date:

BARADENE COLLEGE OF THE SACRED HEART

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Note	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Revenue							
Government Grants	2	10,743,560	10,410,953	10,169,851	10,743,560	10,410,953	10,169,851
Locally Raised Funds	3	4,721,348	4,622,063	4,747,714	4,826,129	4,622,063	4,757,698
Use of Proprietor's Land and Buildings		5,670,000	5,670,000	9,072,072	5,670,000	5,670,000	9,072,072
Interest Income		62,925	36,000	25,377	68,168	36,000	28,827
Gain on Sale of Property, Plant and Equipment		-	-	41,171	-	-	41,171
Total Revenue		21,197,833	20,739,016	24,056,185	21,307,857	20,739,016	24,069,619
Expenses							
Locally Raised Funds	3	1,638,456	1,747,290	1,111,447	1,638,456	1,747,290	1,111,447
Learning Resources	4	11,404,211	11,596,139	11,825,982	11,404,211	11,596,139	11,825,982
Administration	5	941,703	831,371	795,290	1,080,083	831,371	827,684
Finance		5,740	-	5,635	5,740	-	5,635
Property	6	6,667,103	6,605,165	10,012,791	6,667,103	6,605,165	10,012,791
Total Expenses		20,657,213	20,779,965	23,751,145	20,795,593	20,779,965	23,783,539
Net Surplus / (Deficit) for the year		540,620	(40,949)	305,040	512,264	(40,949)	286,080
Other Comprehensive Revenue and Expense		-	-	-	-	-	-
Total Comprehensive Revenue and Expense for the Year		540,620	(40,949)	305,040	512,264	(40,949)	286,080

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

BARADENE COLLEGE OF THE SACRED HEART

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

Note	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January	3,760,098	3,504,446	3,407,778	4,186,392	3,504,446	3,853,031
Total comprehensive revenue and expense for the year	540,620	(40,949)	305,040	512,264	(40,949)	286,080
Contributions from the Ministry of Education						
Contribution - Furniture and Equipment Grant	62,394	49,880	47,280	62,394	49,880	47,280
Equity at 31 December	4,363,112	3,513,377	3,760,098	4,761,050	3,513,377	4,186,391
Accumulated comprehensive revenue and expense	4,363,112	3,513,377	3,760,098	4,761,050	3,513,377	4,186,391
Equity at 31 December	4,363,112	3,513,377	3,760,098	4,761,050	3,513,377	4,186,391
Reserve Movements Analysis						
Accumulated comprehensive revenue and expense						
Balance at 1 January	3,760,098	3,504,446	3,407,778	4,186,392	3,504,446	3,853,031
Furniture & Equipment grant	62,394	49,880	47,280	62,394	49,880	47,280
Surplus/(deficit) for the year	540,620	(40,949)	305,040	512,264	(40,949)	286,080
Balance 31 December	4,363,112	3,513,377	3,760,098	4,761,050	3,513,377	4,186,391
Total equity	4,363,112	3,513,377	3,760,098	4,761,050	3,513,377	4,186,391

The above Consolidated Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

BARADENE COLLEGE OF THE SACRED HEART

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets							
Cash and Cash Equivalents	7	136,883	2,170,050	953,486	211,274	2,170,050	1,061,026
Accounts Receivable	8	1,209,380	655,000	620,598	1,209,380	655,000	620,598
GST Receivable		-	-	34,418	-	-	34,418
Inventories	9	302,969	300,000	239,106	302,969	300,000	239,106
Investments	10	3,336,728	1,016,000	2,300,035	3,660,275	1,016,000	2,618,788
		4,985,960	4,141,050	4,147,643	5,383,898	4,141,050	4,573,936
Current Liabilities							
GST Payable		73,891	(35,000)	-	73,891	(35,000)	-
Accounts Payable	12	1,218,851	1,367,749	1,265,275	1,218,851	1,367,749	1,265,275
Revenue Received in Advance	13	677,717	560,000	567,018	677,717	560,000	567,018
Provision for Cyclical Maintenance	14	177,500	310,000	75,000	177,500	310,000	75,000
Finance Lease Liability	15	55,580	60,000	54,907	55,580	60,000	54,907
Funds held in Trust	16	173,790	150,000	138,541	173,790	150,000	138,541
		2,377,329	2,412,749	2,100,741	2,377,329	2,412,749	2,100,741
Working Capital Surplus/(Deficit)		2,608,631	1,728,301	2,046,902	3,006,569	1,728,301	2,473,195
Non-current Assets							
Property, Plant and Equipment	11	2,290,679	2,208,478	2,293,704	2,290,679	2,208,478	2,293,704
		2,290,679	2,208,478	2,293,704	2,290,679	2,208,478	2,293,704
Non-current Liabilities							
Provision for Cyclical Maintenance	14	501,568	372,402	524,394	501,568	372,402	524,394
Finance Lease Liability	16	24,197	40,000	45,531	24,197	40,000	45,531
Funds held in Trust		10,433	11,000	10,583	10,433	11,000	10,583
		536,198	423,402	580,508	536,198	423,402	580,508
Net Assets		4,363,112	3,513,377	3,760,098	4,761,050	3,513,377	4,186,391
Equity		4,363,112	3,513,377	3,760,098	4,761,050	3,513,377	4,186,391

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

BARADENE COLLEGE OF THE SACRED HEART

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities							
Government Grants		2,642,129	2,678,006	2,178,848	2,642,129	(15,756)	2,178,848
Locally Raised Funds		3,554,370	3,952,813	3,688,212	3,659,151	262,076	3,698,196
Hostel					-		
International Students		784,754	626,250	682,736	784,755	(408,204)	682,735
Goods and Services Tax (net)		108,309		1,350	108,309	(582)	1,350
Payments to Employees		(2,670,259)	(2,615,885)	(2,495,992)	(2,670,259)	184,306	(2,495,992)
Payments to Suppliers		(3,817,159)	(3,817,804)	(3,627,550)	(3,955,539)	58,571	(3,659,944)
Interest Paid		(5,740)	36,000	(5,635)	(5,740)	-	(5,635)
Interest Received		43,234	10,000	27,172	48,477	10,186	30,623
Net cash from/(to) Operating Activities		639,638	869,380	449,141	611,283	90,597	430,181
Cash flows from Investing Activities							
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-		-	-	
Purchase of Property Plant & Equipment (and Intangibles)		(404,661)	(316,488)	41,171	(404,661)	(127,852)	41,171
Purchase of Investments			(310,518)	(367,388)	(1,041,487)	34,663	(367,388)
Proceeds from Sale of Investments		(1,036,693)	-	(286,249)		-	(289,449)
Net cash from/(to) Investing Activities		(1,441,354)	(627,006)	(612,466)	(1,446,148)	(93,189)	(615,666)
Cash flows from Financing Activities							
Furniture and Equipment Grant		15,114	880	2,259	15,114	2,600	2,259
Finance Lease Payments		(65,100)	(127,000)	(20,456)	(65,100)	(44,692)	(20,456)
Painting contract payments		-	-		-	-	
Loans Received		-	-		-	-	
Repayment of Loans		-	-		-	-	
Funds Administered on Behalf of Third Parties		35,099		(96,330)	35,099	11,876	(96,330)
Net cash from/(to) Financing Activities		(14,887)	(126,120)	(114,527)	(14,887)	(30,216)	(114,527)
Net increase/(decrease) in cash and cash equivalents		(816,603)	116,254	(277,852)	(849,752)	(32,808)	(300,012)
Cash and cash equivalents at the beginning of the year	7	953,486	2,053,796	1,231,338	1,061,026	2,053,796	1,361,038
Cash and cash equivalents at the end of the year	7	136,883	2,170,050	953,486	211,274	2,170,050	1,061,026

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense 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.

Baradene College Of The Sacred Heart

Notes to the Group Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Baradene College Of The Sacred Heart 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 Baradene College Of The Sacred Heart (the 'Group') consists of Baradene College Of The Sacred Heart and its subsidiary trust. The subsidiary is a School Trust ('Trust') which supports the school by raising funds and making donations for the school.

The School's subsidiary is incorporated and domiciled in New Zealand.

b) Basis of Preparation

Reporting Period

The consolidated financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Basis of Consolidation

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the group on a line-by-line basis. All intra-group balances, transactions, revenue, and expenses are eliminated on consolidation.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed, or has rights, to variable benefits from its involvement with the other entity and has the ability to affect the nature or amount of those benefits through its power over the other entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in surplus or deficit. Any interest retained in the former subsidiary is measured at fair value when control is lost.

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

Measurement Base

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

Presentation Currency

These consolidated 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 consolidated 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 Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The Group 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.

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.

Consolidation of entities

The Group consolidates entities based on whether the School has established control of the subsidiary. The subsidiaries which are controlled are disclosed at Note 23

c) Revenue Recognition

Government Grants

The Group 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 Group 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 Group has the rights to the funding in the salary period they relate to. The grants are not received in cash by the Group 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.

Other Grants where conditions exist

Other grants are recorded as revenue when the Group 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. Interest revenue is accrued using the effective interest method.

d) Operating Lease Payments

Payments made under operating leases are recognised in the Consolidated 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 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 Consolidated Statement of Comprehensive Revenue and Expense in the period of the write down.

i) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

Equity investments are designated at initial recognition at fair value through other comprehensive revenue and expense because they are investments that the group intends to hold for long term strategic purposes. They are initially measured at fair value plus transaction costs. They are subsequently measured at their fair value with gains and losses recognised in other comprehensive revenue and expense. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to accumulated surplus/(deficit).

The Group has met the requirements of Section 154 (2)(b)(ii) of the Education and Training Act 2020 in relation to the acquisition of investment securities.

j) Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these consolidated 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 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 Consolidated 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 Consolidated Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

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

k) Intangible Assets

Software costs

Computer software acquired by the Group are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Consolidated Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Consolidated Statement of Comprehensive Revenue and Expense.

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

The Group 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 Group 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 group 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 the surplus or deficit.

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

m) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the Group 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.

n) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders 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 also annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 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.

o) Revenue Received in Advance

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

p) Funds Held in Trust

Funds are held in trust where they have been received by the Group for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Consolidated Statement of Revenue and Expense.

q) 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 Revenue and Expense.

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

r) Shared Funds

Shared Funds are held on behalf of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the Group's control, these amounts are not recorded in the Statement of Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTLB programme), all income and expenditure related to the provision of the service is recorded in the Statement of Revenue and Expense. The Group holds sufficient funds to enable the funds to be used for their intended purpose.

s) Provision for Cyclical Maintenance

The property from which the Group operates is owned by the proprietor.

Cyclical maintenance, which involves painting the interior and exterior of the Group, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, the groups 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 group 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.

t) Financial Instruments

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

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

The Group'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.

u) 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.

v) Goods and Services Tax (GST)

The consolidated 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 consolidated statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

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

x) Services received in-kind

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

2. Government Grants

	2022 Actual	School 2022 Budget (Unaudited)	2021 Actual	2022 Group Actual	Group 2022 Budget (Unaudited)	2021 Group Actual
	\$	\$	\$	\$	\$	\$
Government Grants - Ministry of Education	2,553,119	2,177,845	2,141,139	2,553,119	2,177,845	2,141,139
Teachers' Salaries Grants	7,923,389	7,923,389	7,747,905	7,923,389	7,923,389	7,747,905
Other Government Grants	267,052	309,719	280,807	267,052	309,719	280,807
	<u>10,743,560</u>	<u>10,410,953</u>	<u>10,169,851</u>	<u>10,743,560</u>	<u>10,410,953</u>	<u>10,169,851</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:

	2022 Actual	School 2022 Budget (Unaudited)	2021 Actual	2022 Group Actual	Group 2022 Budget (Unaudited)	2021 Group Actual
	\$	\$	\$	\$	\$	\$
Revenue						
Donations & Bequests	2,154,817	1,972,000	1,990,917	2,259,598	1,972,000	2,000,901
Curriculum related Activities - Purchase of goods and services	512,071	628,046	512,407	512,071	628,046	512,407
Fees for Extra Curricular Activities	488,410	442,579	431,857	488,410	442,579	431,857
Trading	816,638	896,685	732,731	816,638	896,685	732,731
Other Revenue	30,792	26,503	22,366	30,792	26,503	22,366
International Student Fees	718,620	656,250	1,057,436	718,620	656,250	1,057,436
	<u>4,721,348</u>	<u>4,622,063</u>	<u>4,747,714</u>	<u>4,826,129</u>	<u>4,622,063</u>	<u>4,757,698</u>
Expenses						
Extra Curricular Activities Costs	658,317	697,091	-	658,317	697,091	-
Trading	663,635	724,767	653,560	663,635	724,767	653,560
International Student - Student Recruitment	215,704	209,440	449,770	215,704	209,440	449,770
International Student - Other Expenses	100,800	115,992	8,117	100,800	115,992	8,117
	<u>1,638,456</u>	<u>1,747,290</u>	<u>1,111,447</u>	<u>1,638,456</u>	<u>1,747,290</u>	<u>1,111,447</u>
Surplus/ (Deficit) for the year Locally raised funds	<u>3,082,892</u>	<u>2,874,773</u>	<u>3,636,267</u>	<u>3,187,673</u>	<u>2,874,773</u>	<u>3,646,251</u>

During the year the School hosted 34 International students (2021:56)

4. Learning Resources

	2022 Actual	School 2022 Budget (Unaudited)	2021 Actual	2022 Group Actual	Group 2022 Budget (Unaudited)	2021 Group Actual
	\$	\$	\$	\$	\$	\$
Curricular	607,820	656,248	1,157,955	607,820	656,248	1,157,955
Information and Communication Technology	248,825	283,207	245,280	248,825	283,207	245,280
Library Resources	16,261	26,534	22,908	16,261	26,534	22,908
Employee Benefits - Salaries	9,992,285	10,070,140	9,780,322	9,992,285	10,070,140	9,780,322
Staff Development	86,895	75,000	79,681	86,895	75,000	79,681
Depreciation	452,125	485,010	539,836	452,125	485,010	539,836
	<u>11,404,211</u>	<u>11,596,139</u>	<u>11,825,982</u>	<u>11,404,211</u>	<u>11,596,139</u>	<u>11,825,982</u>

5. Administration

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Group Actual \$	Group 2022 Budget (Unaudited) \$	2021 Group Actual \$
Audit Fee	18,592	11,592	10,104	18,592	11,592	10,104
Board Fees	500	1,000	-	500	1,000	-
Board Expenses	44,426	46,723	36,603	44,426	46,723	36,603
Communication	37,440	35,350	22,861	37,440	35,350	22,861
Consumables	57,056	19,321	32,015	57,056	19,321	32,015
Other	170,802	168,094	154,410	309,182	168,094	186,804
Employee Benefits - Salaries	583,095	517,000	511,567	583,095	517,000	511,567
Insurance	29,792	32,291	27,730	29,792	32,291	27,730
	<u>941,703</u>	<u>831,371</u>	<u>795,290</u>	<u>1,080,083</u>	<u>831,371</u>	<u>827,684</u>

6. Property

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Group Actual \$	Group 2022 Budget (Unaudited) \$	2021 Group Actual \$
Caretaking and Cleaning Consumables	295,507	315,004	286,724	295,507	315,004	286,724
Cyclical Maintenance Provision	67,696	94,005	93,072	67,696	94,005	93,072
Grounds	129,669	112,288	117,251	129,669	112,288	117,251
Heat, Light and Water	163,739	166,755	136,222	163,739	166,755	136,222
Repairs and Maintenance	169,738	116,494	161,231	169,738	116,494	161,231
Use of Land and Buildings	5,670,000	5,670,000	9,072,072	5,670,000	5,670,000	9,072,072
Security	19,323	12,736	13,225	19,323	12,736	13,225
Employee Benefits - Salaries	151,431	117,883	132,994	151,431	117,883	132,994
	<u>6,667,103</u>	<u>6,605,165</u>	<u>10,012,791</u>	<u>6,667,103</u>	<u>6,605,165</u>	<u>10,012,791</u>

7. Cash and Cash Equivalents

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Group Actual \$	Group 2022 Budget (Unaudited) \$	2021 Group Actual \$
Bank Accounts	136,883	1,020,050	953,486	211,274	1,020,050	1,061,026
Short-term Bank Deposits	-	1,150,000	-	-	1,150,000	-
Cash and cash equivalents for Statement of Cash Flows	<u>136,883</u>	<u>2,170,050</u>	<u>953,486</u>	<u>211,274</u>	<u>2,170,050</u>	<u>1,061,026</u>

8. Accounts Receivable

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Group Actual \$	Group 2022 Budget (Unaudited) \$	2021 Group Actual \$
Receivables	507,464	28,000	14,541	507,464	28,000	14,541
Interest Receivable	26,254	7,000	6,563	26,254	7,000	6,563
Teacher Salaries Grant Receivable	675,662	620,000	599,494	675,662	620,000	599,494
	<u>1,209,380</u>	<u>655,000</u>	<u>620,598</u>	<u>1,209,380</u>	<u>655,000</u>	<u>620,598</u>
Receivables from Exchange Transactions	533,718	35,000	21,104	533,718	35,000	21,104
Receivables from Non-Exchange Transactions	675,662	620,000	599,494	675,662	620,000	599,494
	<u>1,209,380</u>	<u>655,000</u>	<u>620,598</u>	<u>1,209,380</u>	<u>655,000</u>	<u>620,598</u>

9. Inventories

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Group Actual \$	Group 2022 Budget (Unaudited) \$	2021 Group Actual \$
School Uniforms	302,969	300,000	239,106	302,969	300,000	239,106
	<u>302,969</u>	<u>300,000</u>	<u>239,106</u>	<u>302,969</u>	<u>300,000</u>	<u>239,106</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Group Actual \$	Group 2022 Budget (Unaudited) \$	2021 Group Actual \$
Current Asset Short-term Bank Deposits	3,336,728	1,016,000	2,300,035	3,660,275	1,016,000	2,618,788
Total Investments	<u>3,336,728</u>	<u>1,016,000</u>	<u>2,300,035</u>	<u>3,660,275</u>	<u>1,016,000</u>	<u>2,618,788</u>

11. Property, Plant and Equipment

GROUP

	Opening Balance (Net Book Value) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Furniture and Equipment	1,844,292	242,593	-	-	(303,791)	1,783,093
Information and Communication Technology	197,955	159,472	-	-	(89,315)	268,113
Textbooks	17,998	2,070	-	-	(6,047)	14,021
Leased Assets	100,478	19,266	-	-	(39,967)	79,777
Library Resources	132,981	25,699	-	-	(13,005)	145,675
Balance at 31 December 2022	<u>2,293,704</u>	<u>449,100</u>	<u>-</u>	<u>-</u>	<u>(452,125)</u>	<u>2,290,679</u>

GROUP

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Furniture and Equipment	4,623,235	(2,840,142)	1,783,093	4,380,644	(2,536,352)	1,844,292
Information and Communication Technology	1,000,016	(731,903)	268,113	840,543	(642,588)	197,955
Textbooks	123,282	(109,261)	14,021	121,212	(103,214)	17,998
Leased Assets	209,185	(129,408)	79,777	164,746	(64,268)	100,478
Library Resources	417,031	(271,356)	145,675	391,332	(258,351)	132,981
Balance at 31 December	<u>6,372,749</u>	<u>(4,082,070)</u>	<u>2,290,679</u>	<u>5,898,477</u>	<u>(3,604,773)</u>	<u>2,293,704</u>

SCHOOL

	Opening Balance (Net Book Value) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Furniture and Equipment	1,844,292	242,593	-	-	(303,791)	1,783,093
Information and Communication Technology	197,955	159,472	-	-	(89,315)	268,113
Textbooks	17,998	2,070	-	-	(6,047)	14,021
Leased Assets	100,478	19,266	-	-	(39,967)	79,777
Library Resources	132,981	25,699	-	-	(13,005)	145,675
Balance at 31 December 2022	<u>2,293,704</u>	<u>449,100</u>	<u>-</u>	<u>-</u>	<u>(452,125)</u>	<u>2,290,679</u>

SCHOOL

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Furniture and Equipment	4,623,235	(2,840,142)	1,783,093	4,380,644	(2,536,352)	1,844,292
Information and Communication Technology	1,000,016	(731,903)	268,113	840,543	(642,588)	197,955
Textbooks	123,282	(109,261)	14,021	121,212	(103,214)	17,998
Leased Assets	209,185	(129,408)	79,777	164,746	(64,268)	100,478
Library Resources	417,031	(271,356)	145,675	391,332	(258,351)	132,981
Balance at 31 December	<u>6,372,749</u>	<u>(4,082,070)</u>	<u>2,290,679</u>	<u>5,898,477</u>	<u>(3,604,773)</u>	<u>2,293,704</u>

12. Accounts Payable

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	375,504	550,000	287,276	375,504	550,000	287,276
Accruals	-	-	165,941	-	-	165,941
Banking Staffing Overuse	102,001	162,749	178,042	102,001	162,749	178,042
Employee Entitlements - Salaries	675,662	620,000	599,494	675,662	620,000	599,494
Employee Entitlements - Leave Accrual	65,684	35,000	34,522	65,684	35,000	34,522
	<u>1,218,851</u>	<u>1,367,749</u>	<u>1,265,275</u>	<u>1,218,851</u>	<u>1,367,749</u>	<u>1,265,275</u>
Payables for Exchange Transactions	1,218,851	1,367,749	1,265,275	1,218,851	1,367,749	1,265,275
	<u>1,218,851</u>	<u>1,367,749</u>	<u>1,265,275</u>	<u>1,218,851</u>	<u>1,367,749</u>	<u>1,265,275</u>

13. Revenue Received in Advance

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
International Student Fees in Advance	633,152	560,000	567,018	633,152	560,000	567,018
Other Revenue in Advance	44,565			44,565		
	<u>677,717</u>	<u>560,000</u>	<u>567,018</u>	<u>677,717</u>	<u>560,000</u>	<u>567,018</u>

14. Provision for Cyclical Maintenance

	2022 Actual \$	School and Group 2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	599,394	599,394	562,200
Increase to the Provision During the Year	148,296	94,005	93,072
Use of the Provision During the Year	(68,622)	(10,997)	(55,878)
Other Adjustments	-	-	-
Provision at the End of the Year	<u>679,068</u>	<u>682,402</u>	<u>599,394</u>
Cyclical Maintenance - Current	177,500	310,000	75,000
Cyclical Maintenance - Non current	501,568	372,402	524,394
	<u>679,068</u>	<u>682,402</u>	<u>599,394</u>

15. Finance Lease Liability

The Group has entered into a number of finance lease agreements for computers and other ICT equipment.

Minimum lease payments payable:

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	55,580	60,000	54,907	55,580	60,000	54,907
Later than One Year and no Later than Five Years	24,197	40,000	45,531	24,197	40,000	45,531
	<u>79,777</u>	<u>100,000</u>	<u>100,438</u>	<u>79,777</u>	<u>100,000</u>	<u>100,438</u>
Represented by						
Finance lease liability - Current	55,580	60,000	54,907	55,580	60,000	54,907
Finance lease liability - Non current	24,197	40,000	45,531	24,197	40,000	45,531
	<u>79,777</u>	<u>100,000</u>	<u>100,438</u>	<u>79,777</u>	<u>100,000</u>	<u>100,438</u>

16. Funds held in Trust

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	173,790	150,000	138,541	173,790	150,000	138,541
Funds Held in Trust on Behalf of Third Parties - Non-current	10,433	11,000	10,583	10,433	11,000	10,583
	<u>184,223</u>	<u>161,000</u>	<u>149,124</u>	<u>184,223</u>	<u>161,000</u>	<u>149,124</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expense of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

17. Related Party Transactions

The Group is a controlled entity of the Crown, and the Crown provides the major source of revenue to the Group. The Group 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 Group 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 Group 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.

The Proprietor of the School, (Baradene College Limited) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the proprietor collects funds on behalf of the school (or vice versa) the amounts are disclosed. The Proprietor collects donations / fees from the students on behalf of the College. A Special Character Contribution is also collected from the students and paid to the College to assist the College in repaying the Proprietor loans or for capital works projects around the college. Proprietor collected and passed on to the college, General contribution of \$1,908,124 (2021: \$1,844,150) and Special Character Income of \$88,342 (2021: 68,572). The Proprietor also paid 50% of the expenses incurred on the Foundation by the College amounting to \$68,208 (2021: \$80,720). This income forms part of the Locally Raised Fund in Note number 3 The amount outstanding at the balance date is \$479,264 (2021: 0)

The Proprietor provides land and buildings free of charge for use by the Board. The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

The Proprietor provides hostel services that are used by some of the school's students in accordance with a contract between the Board and Proprietor.

18. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	500	-
<i>Leadership Team</i>		
Remuneration	514,000	509,947
Full-time equivalent members	4	4
Total key management personnel remuneration	514,500	509,947

There are 11 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 of 3 members and Property 2 members that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	230 - 240	210-220
Benefits and Other Emoluments	5	5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	15.00	13.00
110 - 120	4.00	4.00
120 - 130	4.00	
	23.00	17.00

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 2022 (Contingent liabilities and assets at 31 December 2021 as noted below).

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's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 30 June 2024, a contingent liability for the school may exist.

20. 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

	2022 Actual \$	School 2022 Budget (Unaudited) \$	2021 Actual \$	2022 Actual \$	Group 2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	136,883	2,170,050	953,486	211,274	2,170,050	1,061,026
Receivables	1,209,380	655,000	620,598	1,209,380	655,000	620,598
Investments - Term Deposits	3,336,728	1,016,000	2,300,035	3,660,275	1,016,000	2,618,788
Total Financial assets measured at amortised cost	4,682,991	3,841,050	3,874,119	5,080,929	3,841,050	4,300,412

Financial liabilities measured at amortised cost

Payables	1,218,851	1,367,749	1,265,275	1,218,851	1,367,749	1,265,275
Finance Leases	79,777	100,000	100,438	79,777	100,000	100,438
Total Financial Liabilities Measured at Amortised Cost	1,298,628	1,467,749	1,365,713	1,298,628	1,467,749	1,365,713

21. Events After Balance Date

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

22. Investment in Subsidiaries

Details of the Group's material subsidiaries at the end of the reporting period are as follows.

Name of Subsidiary	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the		Value of investment \$000	
			2022	2021	2022	2021
Growing Heart Foundation	Raising Funds	Auckland New Zealand	100%	100%	-	-

All subsidiaries have 31 December balance dates, are 100% owned by the School, and are incorporated and domiciled in New Zealand.

The School controls the Trust for financial reporting purposes because, in substance, the school predetermined the objectives of the Trust at establishment and benefits from the Trust's complementary activities.

23. Kiwisport

Kiwisport is a government funding initiative to support students' participation in organised sport. In 2022 the school received total Kiwisport funding of \$29,452.88 (Excluding GST). The funding was spent on Coaching Development Programmes, equipment, uniforms and operational costs, team entries, tournament entries and levies. In 2022 Baradene College had a 65% participation level at Years 9 – 13, which was down 2% compared to 2021.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF BARADENE COLLEGE'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Baradene College of the Sacred Heart (the School). The Auditor-General has appointed me, Sungesh Singh using the staff and resources of UHY Haines Norton (Auckland) Limited, to carry out the audit of the consolidated financial statements of the school, which includes the foundation, on his behalf.

Opinion

We have audited the consolidated financial statements of the school on pages 2 to 18, that comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the consolidated financial statements that include accounting policies and other explanatory information.

In our opinion the consolidated financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2022; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 19/12/24. This is the date at which our opinion is expressed.

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

Emphasis of matter – Failure to meet statutory reporting deadline

Without modifying our opinion, we draw attention to the fact that the Board did not comply with section 137(1) of the Education and Training Act 2020, which requires the Board to provide its audited financial statements to the Ministry of Education by 31 May 2023.

Basis for our opinion

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

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

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

Responsibilities of the Board for the consolidated financial statements

The Board is responsible on behalf of the school for preparing the consolidated financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board is responsible on behalf of the school for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the school, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from Section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these consolidated financial statements.

For the budget information reported in the consolidated financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the consolidated financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the EdPay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the consolidated financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board are responsible for the other information. The other information comprises of the Statement of Responsibility, the Kiwisport Report, Analysis of Variance and the Members of the Board, but does not include the consolidated financial statements, and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



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Sungesh Singh
UHY Haines Norton (Auckland) Limited
On behalf of the Auditor-General
Auckland, New Zealand