

# BARADENE COLLEGE

## CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

**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](mailto:admin@baradene.school.nz)

**Members of the Board:**

Position	Name	How Position Gained	Term Expired/ Expires
Presiding Member	Mrs Gillian Chappell	Elected 2016 and 2019 Appointed 2021	
Principal ex Officio	Mrs Sandy Pasley	ex officio	
Parent Representative	Mrs Liz O'Neil	Elected 2019, 2022	Sep-25
Parent Representative	Mrs Terisa Cordtz	Elected Sept 2022	Sep-25
Parent Representative	Mr Justin Luen	Elected Sept 2022	Sep-25
Parent Representative	Ms Therese Singleton	Elected Sept 2022	Sep-25
Parent Representative	Mrs Lisa Courtney	Elected Sept 2022	Sep-25
Student Representative	Amy Mason	Elected Sept 2022	Sep-23
Student Representative	Kate Hunter	Elected Sept 2023	Sep-24
Staff Representative	Mrs Gabrielle Smyth	Elected Sept 2022	Sep-25
Proprietor Representative	Sr Elizabeth Snedden	Appointed 2010	
Proprietor Representative	Mr Richard James	Appointed 2010	
Proprietor Representative	Mrs Catherine Ryan	Appointed 2012	

**Accountant / Service Provider:** In House

# BARADENE COLLEGE

Consolidated Annual Financial Statements - For the year ended 31 December 2023

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# Baradene College

## Statement of Responsibility

For the year ended 31 December 2023

The Board accepts responsibility for the preparation of the annual consolidated financial statements and the judgements used in these consolidated 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 group's financial reporting.

It is the opinion of the Board and management that the consolidated annual financial statements for the financial year ended 31 December 2023 fairly reflects the financial position and operations of the group.

The Group's 2023 consolidated financial statements are authorised for issue by the Board.

Gillian Chappell  
\_\_\_\_\_  
Full Name of Presiding Member

  
\_\_\_\_\_  
Signature of Presiding Member

1/5/2025  
\_\_\_\_\_  
Date:

Alexandra Russell  
\_\_\_\_\_  
Full Name of Principal

  
\_\_\_\_\_  
Signature of Principal

30/4/25  
\_\_\_\_\_  
Date:

# Baradene College

## Consolidated Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
<b>Revenue</b>							
Government Grants	2	11,441,790	11,664,295	10,743,560	11,441,790	11,664,295	10,743,560
Locally Raised Funds	3	5,311,530	4,989,351	4,721,348	5,481,055	4,989,351	4,826,129
Use of Proprietor's Land and Buildings		5,670,000	5,670,000	5,670,000	5,670,000	5,670,000	5,670,000
Interest		204,736	160,000	62,925	220,906	160,000	68,168
<b>Total Revenue</b>		<b>22,628,056</b>	<b>22,483,646</b>	<b>21,197,833</b>	<b>22,813,752</b>	<b>22,483,646</b>	<b>21,307,857</b>
<b>Expense</b>							
Locally Raised Funds		2,029,549	1,981,949	1,638,456	2,103,431	1,981,949	1,638,456
Learning Resources		12,629,767	12,766,067	11,404,211	12,629,767	12,766,067	11,404,211
Administration		947,312	950,199	941,703	948,384	950,199	1,080,083
Interest		3,144	-	5,740	3,144	-	5,740
Property		6,597,033	6,644,987	6,667,103	6,597,033	6,644,987	6,667,103
<b>Total expense</b>		<b>22,206,806</b>	<b>22,343,202</b>	<b>20,657,213</b>	<b>22,281,760</b>	<b>22,343,202</b>	<b>20,795,593</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>421,250</b>	<b>140,444</b>	<b>540,620</b>	<b>531,992</b>	<b>140,444</b>	<b>512,264</b>
<b>Other Comprehensive Revenue and Expense</b>							
<i>Item that will not be reclassified to surplus(deficit)</i>							
Gain on equity investment revaluations		-	-	-	-	-	-
<b>Total other comprehensive revenue and expense</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>421,250</b>	<b>140,444</b>	<b>540,620</b>	<b>531,992</b>	<b>140,444</b>	<b>512,264</b>

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

# Baradene College

## Consolidated Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

Notes	2023	School	2022	2023	Group	2022
	Actual	2023	Actual	Actual	2023	Actual
	\$	Budget (Unaudited) \$	\$	\$	Budget (Unaudited) \$	\$
Equity at 1 January	4,363,112	4,363,112	3,760,098	4,761,050	4,363,112	4,186,392
Total comprehensive revenue and expense for the year	421,250	140,444	540,620	531,992	140,444	512,264
Contribution - Furniture and Equipment Grant	299,828	200,000	62,394	299,828	200,000	62,394
Equity at 31 December	5,084,191	4,703,556	4,363,112	5,592,870	4,703,556	4,761,050
Accumulated comprehensive revenue and expense	5,084,191	4,703,556	4,363,112	5,592,870	4,703,556	4,761,050
Equity at 31 December	5,084,191	4,703,556	4,363,112	5,592,870	4,703,556	4,761,050
<b>Reserve Movements Analysis</b>						
Accumulated comprehensive revenue and expense						
Balance at 1 January	4,363,112	4,363,112	3,760,098	4,761,050	4,363,112	4,186,392
Furniture & Equipment grant	299,828	200,000	62,394	299,828	200,000	62,394
Surplus/(deficit) for the year	421,250	140,444	540,620	531,992	140,444	512,264
Balance 31 December	5,084,191	4,703,556	4,363,112	5,592,870	4,703,556	4,761,050
Total equity	5,084,191	4,703,556	4,363,112	5,592,870	4,703,556	4,761,050

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

**Baradene College**  
**Consolidated Statement of Financial Position**  
As at 31 December 2023

	Notes	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
<b>Current Assets</b>							
Cash and Cash Equivalents	7	692,698	477,326	136,883	1,188,832	477,326	211,274
Accounts Receivable	8	790,718	1,209,383	1,209,380	790,733	1,209,383	1,209,380
Inventories	9	287,357	302,969	302,969	287,357	302,969	302,969
Investments	10	4,757,064	3,336,728	3,336,728	4,757,064	3,336,728	3,660,275
		<u>6,527,838</u>	<u>5,326,406</u>	<u>4,985,960</u>	<u>7,023,987</u>	<u>5,326,406</u>	<u>5,383,898</u>
<b>Current Liabilities</b>							
GST Payable		96,874	73,891	73,891	96,874	73,891	73,891
Accounts Payable		1,170,637	1,218,853	1,218,851	1,158,107	1,218,853	1,218,851
Revenue Received in Advance		1,112,657	677,717	677,717	1,112,657	677,717	677,717
Provision for Cyclical Maintenance		101,238	177,500	177,500	101,238	177,500	177,500
Finance Lease Liability		37,112	55,580	55,580	37,112	55,580	55,580
Funds held in Trust		397,809	173,790	173,790	397,809	173,790	173,790
		<u>2,916,327</u>	<u>2,377,331</u>	<u>2,377,329</u>	<u>2,903,797</u>	<u>2,377,331</u>	<u>2,377,329</u>
<b>Working Capital Surplus/(Deficit)</b>		<u>3,611,511</u>	<u>2,949,075</u>	<u>2,608,631</u>	<u>4,120,191</u>	<u>2,949,075</u>	<u>3,006,569</u>
<b>Non-current Assets</b>							
Property, Plant and Equipment	11	2,098,774	2,290,679	2,290,679	2,098,774	2,290,679	2,290,679
Work in Progress		106,074			106,074		
		<u>2,204,848</u>	<u>2,290,679</u>	<u>2,290,679</u>	<u>2,204,848</u>	<u>2,290,679</u>	<u>2,290,679</u>
<b>Non-current Liabilities</b>							
Provision for Cyclical Maintenance	14	695,320	501,568	501,568	695,320	501,568	501,568
Finance Lease Liability	15	26,416	24,197	24,197	26,416	24,197	24,197
Funds held in Trust	16	10,433	10,433	10,433	10,433	10,433	10,433
		<u>732,169</u>	<u>536,198</u>	<u>536,198</u>	<u>732,169</u>	<u>536,198</u>	<u>536,198</u>
<b>Net Assets</b>		<u>5,084,191</u>	<u>4,703,556</u>	<u>4,363,112</u>	<u>5,592,870</u>	<u>4,703,556</u>	<u>4,761,050</u>
<b>Equity:</b>							
Accumulated comprehensive revenue and expense		5,084,191	4,703,556	4,363,112	5,592,870	4,703,556	4,761,050
<b>Total equity</b>		<u>5,084,191</u>	<u>4,703,556</u>	<u>4,363,112</u>	<u>5,592,870</u>	<u>4,703,556</u>	<u>4,761,050</u>

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

**Baradene College**  
**Consolidated Statement of Cash Flows**  
For the year ended 31 December 2023

	Notes	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
<b>Cash flows from Operating Activities</b>							
Government Grants		2,616,447	2,878,951	2,642,129	2,616,447	2,878,951	2,642,129
Locally Raised Funds		4,806,209	3,969,157	3,554,370	4,975,721	3,969,157	3,659,151
International Students		1,501,690	1,020,194	784,754	1,501,689	1,020,194	784,755
Goods and Services Tax (net)		22,983	-	108,309	22,983	-	108,309
Payments to Employees		(3,157,292)	(3,263,602)	(2,670,259)	(3,157,292)	(3,263,602)	(2,670,259)
Payments to Suppliers		(4,080,676)	(4,101,257)	(3,817,159)	(4,168,161)	(4,101,257)	(3,955,539)
Interest Paid		(3,144)	-	(5,740)	(3,144)	-	(5,740)
Interest Received		140,794	160,000	43,234	156,964	160,000	48,477
Net cash from / (to) the Operating Activities		1,847,011	663,443	639,638	1,945,207	663,443	611,283
<b>Cash flows from Investing Activities</b>							
Purchase of Property Plant & Equipment (and Intangibles)		(468,586)	(523,000)	(404,661)	(468,586)	(523,000)	(404,661)
Purchase of Investments		(1,420,336)	-	(1,036,693)	(1,096,789)	-	(1,041,487)
Proceeds from Sale of Investments		-	-	-	-	(74,391)	-
Net cash from / (to) the Investing Activities		(1,888,922)	(523,000)	(1,441,354)	(1,565,375)	(597,391)	(1,446,148)
<b>Cash flows from Financing Activities</b>							
Furniture and Equipment Grant		299,828	200,000	15,114	299,828	200,000	15,114
Finance Lease Payments		73,880	-	(65,100)	73,880	-	(65,100)
Funds Administered on Behalf of Other Parties		224,018	-	35,099	224,018	-	35,099
Net cash from / (to) Financing Activities		597,726	200,000	(14,887)	597,726	200,000	(14,887)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>555,815</b>	<b>340,443</b>	<b>(816,603)</b>	<b>977,558</b>	<b>266,052</b>	<b>(849,752)</b>
Cash and cash equivalents at the beginning of the year	7	136,883	136,883	953,486	211,274	211,274	1,061,026
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>692,698</b>	<b>477,326</b>	<b>136,883</b>	<b>1,188,832</b>	<b>477,326</b>	<b>211,274</b>

The Consolidated 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 Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes which form part of these consolidated financial statements.

# **Baradene College**

## **Notes to the Consolidated Financial Statements**

### **For the year ended 31 December 2023**

#### **1. Statement of Accounting Policies**

##### **a) Reporting Entity**

Baradene College 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 (the 'Group') consists of Baradene College and its subsidiary trust, Baradene Foundation. The subsidiary is a School Trust ('Trust') which supports the school by raising funds and making donations to the school.

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

##### **a) Basis of Preparation**

###### ***Reporting Period***

The consolidated 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 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 the consolidated 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. Future operating lease commitments are disclosed in note 20.

#### ***Recognition of grants***

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

#### ***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.

## **b) Revenue Recognition**

### ***Government Grants***

The Group receives funding from the Ministry of Education. The following are the main types of funding that the Group 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 Group has the rights to the funding in the period they relate to. The grants are not received in cash by the Group and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the 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 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.

## **b) 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.

## **c) 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.

**d) 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.

**e) Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The Group 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.

**f) 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 Consolidated Statement of Comprehensive Revenue and Expense in the period of the write down.

**g) 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.

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.

**h) Property, Plant and Equipment**

Land and buildings owned by the Proprietor 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 Proprietor 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

### **i) 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.

#### *Fees to access the supplier's application software in a SaaS arrangement:*

Where the Software as a Service (SaaS) contract only gives the school the right to receive access to the supplier's application software, costs associated with the licence would be expensed when incurred due to a lack of control over an identified asset. When the Group receives rights beyond right of access, this could indicate that the Group has an intangible asset, if the definition and recognition criteria under PBE IPSAS 31 are satisfied.

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.

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.

**k) 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.

**l) 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 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.

**l) 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 are earned.

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

**m) 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 Comprehensive Revenue and Expense.

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

**n) Funds held for Capital works**

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

**n) Shared Funds**

The group does not hold any funds on behalf of a cluster of schools.



#### **o) Provision for Cyclical Maintenance**

The property from which the School operates is owned by the Proprietor. The Board is responsible for maintaining the land, building and other facilities on the School sites 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, 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 15 year period. The economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

#### **p) Financial Instruments**

The Group's financial assets comprise cash and cash equivalents, accounts receivable, and term deposits. 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.

#### **q) 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.

#### **r) 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.

#### **s) Budget Figures**

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

#### **t) 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

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Government Grants - Ministry of Education	2,705,386	2,915,702	2,553,119	2,705,386	2,915,702	2,553,119
Teachers' Salaries Grants	8,683,343	8,683,343	7,923,389	8,683,343	8,683,343	7,923,389
Other Government Grants	53,062	65,250	267,052	53,062	65,250	267,052
	<b>11,441,790</b>	<b>11,664,295</b>	<b>10,743,560</b>	<b>11,441,790</b>	<b>11,664,295</b>	<b>10,743,560</b>

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

## 3. Locally Raised Funds

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

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
<b>Revenue</b>						
Donations and Bequests	2,154,680	2,168,162	2,154,817	2,324,206	2,168,162	2,771,669
Curriculum related activities - Purchase of goods and services	548,013	265,044	512,071	548,013	265,044	512,071
Other Revenue	135,158	201,602	30,792	135,158	201,602	30,792
Trading	842,746	893,203	816,638	842,746	893,203	816,638
Fees for Extra Curricular Activities	608,748	441,146	488,410	608,748	441,146	488,410
International Student Fees	1,022,184	1,020,194	718,620	1,022,184	1,020,194	718,620
	<b>5,311,530</b>	<b>4,989,351</b>	<b>4,721,348</b>	<b>5,481,055</b>	<b>4,989,351</b>	<b>5,338,200</b>
<b>Expenses</b>						
Extra Curricular Activities Costs	880,037	798,765	658,317	880,037	798,765	658,317
Trading	716,991	721,536	663,635	716,991	721,536	663,635
Fundraising and Community Grant Costs	-	-	-	73,882	-	-
International Student - Student Recruitment	298,703	287,188	215,704	298,703	287,188	215,704
International Student - Other Expenses	133,819	174,460	100,800	133,819	174,460	100,800
	<b>2,029,549</b>	<b>1,981,949</b>	<b>1,638,456</b>	<b>2,103,431</b>	<b>1,981,949</b>	<b>1,638,456</b>
<b>Surplus/ (Deficit) for the year Locally Raised Funds</b>	<b>3,281,981</b>	<b>3,007,402</b>	<b>3,082,892</b>	<b>3,377,624</b>	<b>3,007,402</b>	<b>3,699,744</b>

During the year the School hosted 65 International students (2022:34)

## 3. Learning Resources

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	704,956	470,932	607,820	704,956	470,932	607,820
Equipment Repairs	-	-	-	-	-	-
Information and Communication Technology	288,890	328,615	248,825	288,890	328,615	248,825
Library Resources	28,174	27,597	16,261	28,174	27,597	16,261
Employee Benefits - Salaries	11,082,943	11,339,807	9,992,285	11,082,943	11,339,807	9,992,285
Staff Development	50,629	76,116	86,895	50,629	76,116	86,895
Depreciation	474,176	523,000	452,125	474,176	523,000	452,125
	<b>12,629,767</b>	<b>12,766,067</b>	<b>11,404,211</b>	<b>12,629,767</b>	<b>12,766,067</b>	<b>11,404,211</b>

## 3. Administration

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fee	17,192	12,064	18,592	17,192	12,064	18,592
Board Fees	900	1,001	500	900	1,001	500
Board Expenses	28,014	48,792	44,426	28,014	48,792	44,426
Communication	64,969	73,890	37,440	64,969	73,890	37,440
Consumables	56,479	19,517	57,056	56,479	19,517	57,056
Other	146,104	121,706	170,802	147,176	121,706	309,182
Employee Benefits - Salaries	590,266	598,898	583,095	590,266	598,898	583,095
Insurance	35,199	71,020	29,792	35,199	71,020	29,792
Service Providers, Contractors and Consultancy	8,189	3,311	-	8,189	3,311	-
	<b>947,312</b>	<b>950,199</b>	<b>941,703</b>	<b>948,384</b>	<b>950,199</b>	<b>1,080,083</b>

### 3. Property

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	282,548	287,628	295,507	282,548	287,628	295,507
Consultancy and Contract Services	19,909	34,560	67,696	19,909	34,560	67,696
Cyclical Maintenance Provision	118,160	97,765	-	118,160	97,765	-
Grounds	130,769	129,934	129,669	130,769	129,934	129,669
Heat, Light and Water	157,590	178,650	163,739	157,590	178,650	163,739
Repairs and Maintenance	66,435	120,610	169,738	66,435	120,610	169,738
Use of Land and Buildings	5,670,000	5,670,000	5,670,000	5,670,000	5,670,000	5,670,000
Security	12,772	15,600	19,323	12,772	15,600	19,323
Employee Benefits - Salaries	138,850	110,240	151,431	138,850	110,240	151,431
	<u>6,597,033</u>	<u>6,644,987</u>	<u>6,667,103</u>	<u>6,597,033</u>	<u>6,644,987</u>	<u>6,667,103</u>

The use of land and buildings figure represents 5% of the schools total property value. This is used as a 'proxy' for the market rental of the property.

### 7. Cash and Cash Equivalents

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Bank Accounts	692,698	477,326	136,883	851,795	477,326	211,274
Short-term Bank Deposits	-	-	-	337,037	-	-
Cash equivalents and cash equivalents for Consolidated Statement of Cash Flows	<u>692,698</u>	<u>477,326</u>	<u>136,883</u>	<u>1,188,832</u>	<u>477,326</u>	<u>211,274</u>

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

Other restrictions on cash that may require disclosure include funds held in trust and international student and homestay fees as disclosed in note 13 and note 16.

### 8. Accounts Receivable

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	(13,965)	507,464	507,464	(13,951)	507,464	507,464
Interest Receivable	90,196	26,254	26,254	90,196	26,254	26,254
Teacher Salaries Grant Receivable	714,487	675,665	675,662	714,487	675,665	675,662
	<u>790,718</u>	<u>1,209,383</u>	<u>1,209,380</u>	<u>790,732</u>	<u>1,209,383</u>	<u>1,209,380</u>
Receivables from Exchange Transactions	76,231	533,718	533,718	76,245	533,718	533,718
Receivables from Non-Exchange Transactions	714,487	675,665	675,662	714,487	675,665	675,662
	<u>790,718</u>	<u>1,209,383</u>	<u>1,209,380</u>	<u>790,732</u>	<u>1,209,383</u>	<u>1,209,380</u>

### 9. Inventories

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
School Uniforms	287,357	302,969	302,969	287,357	302,969	302,969
	<u>287,357</u>	<u>302,969</u>	<u>302,969</u>	<u>287,357</u>	<u>302,969</u>	<u>302,969</u>



## 10. Investments

The Group and School's investments are classified as follows:

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Current Asset						
Short-term Bank Deposits	4,757,064	3,336,728	3,336,728	4,757,064	3,336,728	3,660,275
	4,757,064	3,336,728	3,336,728	4,757,064	3,336,728	3,660,275
Non-current Asset						
Long-term Bank Deposits	-	-	-	-	-	-
	-	-	-	-	-	-
Total Investments	4,757,064	3,336,728	3,336,728	4,757,064	3,336,728	3,660,275

## 11. Property, Plant and Equipment

### GROUP

	Opening Balance (Net Book Value) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2023						
Furniture and Equipment	1,783,093	129,875			(300,326)	1,612,642
Information and Communication Technology	268,113	86,148			(96,908)	257,353
Textbooks	14,021				(5,240)	8,781
Leased Assets	79,777	39,719			(54,912)	64,584
Library Resources	145,675	26,529			(16,790)	155,414
Balance at 31 December 2023	2,290,679	282,271	-	-	(474,176)	2,098,774

### GROUP

	2023 Cost or Valuation \$	2023 Accumulated Depreciation \$	2023 Net Book Value \$	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$
Furniture and Equipment	4,752,583	(3,140,468)	1,612,643	4,623,235	(2,840,142)	1,783,093
Information and Communication Technology	1,086,164	(828,811)	256,825	1,000,016	(731,903)	268,113
Textbooks	123,282	(114,501)	8,781	123,282	(109,261)	14,021
Leased Assets	119,056	(54,472)	64,584	209,185	(129,408)	79,777
Library Resources	426,919	(270,977)	155,942	417,031	(271,356)	145,675
Balance at 31 December	6,508,003	(4,409,229)	2,098,774	6,372,749	(4,082,070)	2,290,679

### SCHOOL

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2023						
Furniture and Equipment	1,783,093	129,875			(300,326)	1,612,642
Information and Communication Technology	268,113	86,148			(96,908)	257,353
Textbooks	14,021				(5,240)	8,781
Leased Assets	79,777	39,719			(54,912)	64,584
Library Resources	145,675	26,529			(16,790)	155,414
Balance at 31 December 2023	2,290,679	282,271	-	-	(474,176)	2,098,774

### SCHOOL

	2023 Cost or Valuation \$	2023 Accumulated Depreciation \$	2023 Net Book Value \$	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$
Furniture and Equipment	4,752,583	(3,140,468)	1,612,115	4,623,235	(2,840,142)	1,783,093
Information and Communication Technology	1,086,164	(828,811)	257,353	1,000,016	(731,903)	268,113
Textbooks	123,282	(114,501)	8,781	123,282	(109,261)	14,021
Leased Assets	119,056	(54,472)	64,584	209,185	(129,408)	79,777
Library Resources	426,919	(270,977)	155,942	417,031	(271,356)	145,675
Balance at 31 December	6,508,003	(4,409,229)	2,098,774	6,372,749	(4,082,070)	2,290,679

### Restrictions

With the exception of the contractual restrictions related to finance leases, there are no restrictions over the title, nor pledges as security for liabilities, of the school's equipment.

## 12. Accounts Payable

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Creditors	419,041	375,504	375,504	406,511	375,504	375,504
Banking Staffing Overuse	-	102,000	102,001	-	102,000	102,001
Employee Entitlements - Salaries	714,487	675,665	675,662	714,487	675,665	675,662
Employee Entitlements - Leave Accrual	37,109	65,684	65,684	37,109	65,684	65,684
	<u>1,170,637</u>	<u>1,218,853</u>	<u>1,218,851</u>	<u>1,158,107</u>	<u>1,218,853</u>	<u>1,218,851</u>
Payables for Exchange Transactions	1,170,637	1,218,853	1,218,851	1,158,107	1,218,853	1,218,851
	<u>1,170,637</u>	<u>1,218,853</u>	<u>1,218,851</u>	<u>1,158,107</u>	<u>1,218,853</u>	<u>1,218,851</u>

The carrying value of payables approximates their fair value.

## 13. Revenue Received in Advance

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Grants in Advance - Ministry of Education	-	40,000	40,000	-	40,000	40,000
International Student Fees in Advance	1,112,657	633,152	633,152	1,112,657	633,152	633,152
Other revenue in Advance	-	4,565	4,565	-	4,565	4,565
	<u>1,112,657</u>	<u>677,717</u>	<u>677,717</u>	<u>1,112,657</u>	<u>677,717</u>	<u>677,717</u>

## 14. Provision for Cyclical Maintenance

	2023 Actual \$	School and Group 2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	679,068	501,568	599,394
Increase to the Provision During the Year	150,820	97,765	148,296
Use of the Provision During the Year	(33,330)	-	(68,622)
Provision at the End of the Year	<u>796,558</u>	<u>599,333</u>	<u>679,068</u>
Cyclical Maintenance - Current	101,238	177,500	177,500
Cyclical Maintenance - Non current	695,320	501,568	501,568
	<u>796,558</u>	<u>679,068</u>	<u>679,068</u>

Per the cyclical maintenance schedule the school is next expected to undertake painting works each year based on the schools 10 Year Property plan

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

## 15. Finance Lease Liability

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

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	37,112	60,000	55,580	37,112	60,000	55,580
Later than One Year and no Later than Five Years	26,416	40,000	24,197	26,416	40,000	24,197
	<u>63,528</u>	<u>100,000</u>	<u>79,777</u>	<u>63,528</u>	<u>100,000</u>	<u>79,777</u>
Represented by						
Finance lease liability - Current	37,112	60,000	55,580	37,112	60,000	55,580
Finance lease liability - Non-current	26,416	40,000	24,197	26,416	40,000	24,197
	<u>63,528</u>	<u>100,000</u>	<u>79,777</u>	<u>63,528</u>	<u>100,000</u>	<u>79,777</u>

## 16. Funds held in Trust

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	397,809	173,790	173,790	397,809	173,790	173,790
Funds Held in Trust on Behalf of Third Parties - Non-current	10,433	10,433	10,433	10,433	10,433	10,433
	<u>408,241</u>	<u>184,223</u>	<u>184,223</u>	<u>408,241</u>	<u>184,223</u>	<u>184,223</u>

These funds relate to arrangements where the school is acting as agent. These amounts are not revenue or expense and therefore these are not included in the Consolidated 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 Ltd, is a related party of the School 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 fund on behalf of the school (or vice versa), the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the School Board as noted in Note 1(c). The estimated value of this use during the current period is included in the Consolidated Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

Under an agency agreement, the Proprietor collects funds on behalf of the School. These include attendance dues, building levy and special character donations payable to the Proprietor. The amounts collected in total were \$2,042,132 (2022: \$1,908,124).

## 18. Remuneration

### Key management personnel compensation (School)

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

	2023 Actual \$	2022 Actual \$
<b>Board Members</b>		
Remuneration	500	500
<b>Leadership Team</b>		
Remuneration	782,876	514,000
Full-time equivalent members	5	4
Total key management personnel remuneration	<u>783,376</u>	<u>514,500</u>

There are 11 members of the Board excluding the Principal. The Board has held 8 full meetings of the Board in the year. The Board also has Finance Committee of 3 members and a Property Committee of 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:

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	230-240	230-240
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	2023 FTE Number	2022 FTE Number
100-110	19.00	15.00
110-120	18.00	4.00
120-130	6	4
130-140	4	
	<u>47.00</u>	<u>23.00</u>

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

## 19. Contingencies

There are no contingent liabilities 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 school 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.

## 20. Commitments

### (a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$407,513 (2022:\$nil) as a result of entering the following contracts:

Contract Name	Contract Amount \$	Spend To Date \$	Remaining \$
Equipment for New Gym: (Backboards, shot clocks, audiovisual, court dividing curtain, café joinery)	407,513	-	407,513
<b>Total</b>	<b>407,513</b>	<b>-</b>	<b>407,513</b>

## 21. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

### Financial assets measured at amortised cost

	2023 Actual \$	School 2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	Group 2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	692,698	477,326	136,883	1,188,832	477,326	211,274
Receivables	790,718	1,209,383	1,209,380	790,732	1,209,383	1,209,380
Investments - Term Deposits	4,757,064	3,336,728	3,336,728	4,757,064	3,336,728	3,660,275
<b>Total financial assets measured at amortised cost</b>	<b>6,240,481</b>	<b>5,023,437</b>	<b>4,682,991</b>	<b>6,736,629</b>	<b>5,023,437</b>	<b>5,080,929</b>

### Financial liabilities measured at amortised cost

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$	2023 Actual \$	2022 Actual \$
Payables	1,170,637	1,218,853	1,218,851	1,158,107	1,218,853
Finance Leases	63,528	79,777	79,777	63,528	79,777
<b>Total financial liabilities measured at amortised cost</b>	<b>1,234,165</b>	<b>1,298,630</b>	<b>1,298,628</b>	<b>1,221,635</b>	<b>1,298,630</b>

## 22. Events After Balance Date

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

### Breach of Legislation – Failure to comply with Section 137 of Education and Training Act 2020

The Board of Trustees has failed to comply with section 137 of Education and Training Act 2020 by not providing audited financial statements to the Ministry of Education by 31 May 2024.

## 23. 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	
			2023	2022	2023	2022
Growing Heart Trust	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.

## 24. Comparatives

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

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**INDEPENDENT AUDITOR'S REPORT**

**TO THE READERS OF BARADENE COLLEGE'S CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 4 to 20, that comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the 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 2023; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 16/05/25. 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.

**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.

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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 arise from section 134 of the Education and Training Act 2020.

### **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, Good Employer Statement and the Members of the Board, but does not include the consolidated financial statements, and our auditor's report thereon.

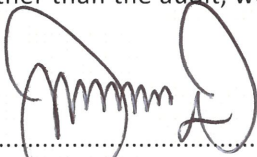
Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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**