

MT CARMEL SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Ministry Number: 1382

Principal: Liz Hennessy

School Address: 6 Mt Carmel Place, Auckland, 1072

School Postal Address: 6 Mt Carmel Place, Auckland, 1072

School Phone: 09 521 5161

School Email: office@mtcarmel.school.nz

Members of the Board:

Name	Position	How Position Gained	Term Expired / Expires
Maria Taylor	Presiding Member	Elected	2025
Lizabeth Hennessy	Principal	Principal	
Joanne Bickley	Staff Rep	Staff Rep - Duly elected	2025
David Klosser	Member	Elected	2025
Megan McCarthy	Member	Elected	2025
Michelle Forster	Member	Elected	2025
Monique Smith	Member	Appointed August 2022	2025
Jim MacBride Steward	Proprietors Rep	Appointed	2025
Kathryn Morgan	Proprietors Rep	Appointed	2025
Garth Jones	Proprietors Rep	Appointed	2025

Accountant / Service Provider:

Edtech Financial Services Ltd



UHY HAINES NORTON (AUCKLAND) LIMITED
For identification purposes only

MT CARMEL SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Mt Carmel School

Statement of Responsibility

For the year ended 31 December 2023

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the Principal and others, as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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

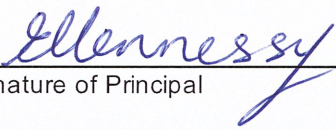
The School's 2023 financial statements are authorised for issue by the Board.

Mania Taylor
Full Name of Presiding Member


Signature of Presiding Member

4/6/24
Date:

Elizabeth Hennessy
Full Name of Principal


Signature of Principal

4/6/24
Date:

Mt Carmel School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue				
Government Grants	2	1,866,951	1,697,113	1,753,289
Locally Raised Funds	3	338,807	292,910	262,092
Use of Proprietor's Land and Buildings		1,539,000	1,539,000	1,539,000
Interest		27,118	6,000	7,170
Total Revenue		3,771,876	3,535,023	3,561,551
Expense				
Locally Raised Funds	3	59,992	47,950	68,854
Learning Resources	4	1,655,479	1,661,678	1,563,648
Administration	5	186,489	216,966	222,805
Interest		3,357	2,000	2,500
Property	6	1,686,499	1,699,400	1,580,392
Other Expense	7	6,063	12,000	12,079
Total Expense		3,597,879	3,639,994	3,450,278
Net Surplus / (Deficit) for the year		173,997	(104,971)	111,273
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		173,997	(104,971)	111,273

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

Mt Carmel School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January		921,037	921,039	809,764
Total comprehensive revenue and expense for the year		173,997	(104,971)	111,273
Contribution - Furniture and Equipment Grant		43,437	-	-
Equity at 31 December		1,138,471	816,068	921,037
Accumulated comprehensive revenue and expense		1,138,471	816,068	921,037
Reserves		-	-	-
Equity at 31 December		1,138,471	816,068	921,037

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

Mt Carmel School

Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	8	698,884	416,395	522,409
Accounts Receivable	9	146,150	2,000	107,448
GST Receivable		15,633	16,000	15,195
Prepayments		13,010	23,000	23,993
Investments		187,146	182,054	182,054
		1,060,823	639,449	851,099
Current Liabilities				
Accounts Payable	13	149,441	40,300	137,960
Revenue Received in Advance	14	17,353	12,000	11,763
Provision for Cyclical Maintenance	15	20,838	20,000	45,035
Finance Lease Liability	16	17,187	6,000	16,906
Funds Held on Behalf of Proprietor		9,088	-	7,306
		213,907	78,300	218,970
Working Capital Surplus/(Deficit)		846,916	561,149	632,129
Non-current Assets				
Property, Plant and Equipment	11	182,610	139,064	153,062
Equitable Leasehold Interest	12	204,694	210,757	210,757
		387,304	349,821	363,819
Non-current Liabilities				
Provision for Cyclical Maintenance	15	78,749	70,902	50,902
Finance Lease Liability	16	17,000	24,000	24,009
		95,749	94,902	74,911
Net Assets		1,138,471	816,068	921,037
Equity		1,138,471	816,068	921,037

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

Mt Carmel School

Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash flows from Operating Activities				
Government Grants		481,751	397,113	592,755
Locally Raised Funds		334,433	293,147	242,295
Hostel		-	-	
International Students		-	-	
Goods and Services Tax (net)		(440)	(805)	(10,631)
Payments to Employees		(314,292)	(383,674)	(379,402)
Payments to Suppliers		(295,028)	(343,234)	(353,117)
Interest Paid		(3,357)	(2,000)	(2,500)
Interest Received		23,450	5,662	5,995
Net cash from/(to) Operating Activities		226,517	(33,791)	95,395
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	
Purchase of Property Plant & Equipment (and Intangibles)		(73,136)	(137,999)	(75,526)
Purchase of Investments		(5,092)	-	(2,540)
Proceeds from Sale of Investments		-	-	
Net cash from/(to) Investing Activities		(78,228)	(137,999)	(78,066)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	-
Contributions from / (Distributions to) Ministry of Education		43,437	-	
Finance Lease Payments		(17,033)	73,082	44,441
Painting Contract Payments		-	-	
Loans Received		-	-	
Repayment of Loans		-	-	
Funds Administered on Behalf of Other Parties		1,782	(7,306)	1,482
Net cash from/(to) Financing Activities		28,186	65,776	45,923
Net increase/(decrease) in cash and cash equivalents		176,475	(106,014)	63,252
Cash and cash equivalents at the beginning of the year	8	522,409	522,409	459,157
Cash and cash equivalents at the end of the year	8	698,884	416,395	522,409

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, use of land and buildings grant and expense and other notional items have been excluded.

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

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

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 15.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment, as disclosed in the significant accounting policies, are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in Applying Accounting Policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all 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 16. Future operating lease commitments are disclosed in note 19.

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.

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

c) Revenue Recognition

Government Grants

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

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

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

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

The property from which the School operates is owned by the Proprietor. Grants for the use of land and buildings are not received in cash by the school as they equate to the deemed expense for using the land and buildings. 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 School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Finance Lease Payments

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

e) Cash and Cash Equivalents

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

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

f) Accounts Receivable

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

g) 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.

h) Property, Plant and Equipment

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

Improvements 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 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.

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

Depreciation

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

The estimated useful lives of the assets are:

Board Owned Buildings	40 years
Furniture and equipment	4 - 10 Years
Information and communication technology	3 - 5 Years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

i) Equitable Leasehold Interest

Equitable Leasehold Interest

Equitable leasehold interest is the cost of capital improvements funded by the Crown. Costs associated with subsequent maintenance expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of equitable leasehold interest is amortised on a straight line basis over its useful life. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

j) Impairment of Property, Plant, and Equipment and Intangible Assets

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

Non cash generating assets

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

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

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

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

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

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

k) Accounts Payable

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

l) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

m) Revenue Received in Advance

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

n) Funds Held in Trust

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

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

o) Funds Held for Capital Works

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

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

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

p) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a 7 to 10 year period. The economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

q) Financial Instruments

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

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

r) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

t) Services Received In-kind

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

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

2. Government Grants

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Government Grants - Ministry of Education	491,966	397,113	509,604
Teachers' Salaries Grants	1,372,618	1,300,000	1,243,685
Other Government Grants	2,367	-	-
	<u>1,866,951</u>	<u>1,697,113</u>	<u>1,753,289</u>

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

3. Locally Raised Funds

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
Revenue	\$	\$	\$
Donations & Bequests	210,088	165,400	161,470
Curriculum related Activities - Purchase of goods and services	128,719	127,510	100,786
Other Revenue	-	-	(164)
	<u>338,807</u>	<u>292,910</u>	<u>262,092</u>
Expense			
Extra Curricular Activities Costs	59,992	47,950	68,854
	<u>59,992</u>	<u>47,950</u>	<u>68,854</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>278,815</u>	<u>244,960</u>	<u>193,238</u>

Donations include a \$58,551 donation from the PTA which is used towards the Shade Sail Project.

4. Learning Resources

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	46,692	48,950	41,057
Information and Communication Technology	30,797	32,500	28,808
Library Resources	1,622	2,500	2,229
Employee Benefits - Salaries	1,522,475	1,521,728	1,441,449
Depreciation	53,893	56,000	50,105
	<u>1,655,479</u>	<u>1,661,678</u>	<u>1,563,648</u>

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	7,491	7,000	7,273
Board Fees	7,642	10,000	6,155
Board Expenses	5,719	11,000	7,524
Communication	653	1,500	941
Consumables	6,787	9,400	7,332
Other	27,138	45,220	39,113
Employee Benefits - Salaries	112,597	110,846	134,989
Insurance	5,820	6,000	5,769
Service Providers, Contractors and Consultancy	12,642	16,000	13,709
	<u>186,489</u>	<u>216,966</u>	<u>222,805</u>

6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	16,499	15,000	10,091
Cyclical Maintenance	3,650	20,000	(86,878)
Grounds	9,336	16,100	14,135
Heat, Light and Water	24,279	21,000	18,481
Repairs and Maintenance	35,112	30,300	31,164
Use of Land and Buildings	1,539,000	1,539,000	1,539,000
Security	6,980	8,000	6,661
Employee Benefits - Salaries	51,643	50,000	47,738
	<u>1,686,499</u>	<u>1,699,400</u>	<u>1,580,392</u>

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

7. Other Expense

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
Amortisation of Equitable Leasehold Interest	6,063	12,000	12,079
	<u>6,063</u>	<u>12,000</u>	<u>12,079</u>

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

8. Cash and Cash Equivalents

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Bank Accounts	698,884	416,395	522,409
Cash and cash equivalents for Statement of Cash Flows	698,884	416,395	522,409

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

9. Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Receivables	5,768	-	-
Receivables from the Ministry of Education	16,778	-	-
Interest Receivable	5,330	2,000	1,662
Teacher Salaries Grant Receivable	118,274	-	105,786
	146,150	2,000	107,448
Receivables from Exchange Transactions	11,098	2,000	1,662
Receivables from Non-Exchange Transactions	135,052	-	105,786
	146,150	2,000	107,448

10. Investments

The School's investment activities are classified as follows:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	187,146	182,054	182,054
Total Investments	187,146	182,054	182,054

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building Improvements	2,863	60,151			(5,778)	57,236
Furniture and Equipment	80,325	11,595			(21,983)	69,937
Information and Communication Technology	17,578				(6,795)	10,783
Leased Assets	40,861	12,451		(2,146)	(17,734)	33,432
Library Resources	11,435	1,390			(1,603)	11,222
Balance at 31 December 2023	153,062	85,587	-	(2,146)	(53,893)	182,610

The net carrying value of equipment held under a finance lease is \$33,432 (2022: \$40,861)

Restrictions

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

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	75,330	(18,094)	57,236	15,179	(12,316)	2,863
Furniture and Equipment	423,596	(353,659)	69,937	412,003	(331,678)	80,325
Information and Communication Technology	150,623	(139,840)	10,783	150,623	(133,045)	17,578
Leased Assets	94,302	(60,870)	33,432	83,997	(43,136)	40,861
Library Resources	44,764	(33,542)	11,222	43,373	(31,938)	11,435
Balance at 31 December	788,615	(606,005)	182,610	705,175	(552,113)	153,062

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

12. Equitable Leasehold Interest

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge over the asset. This equitable leasehold interest represents the board's interest in capital works assets owned by the proprietor but paid for in whole or in part by the Board, either from Government funding or from community raised funds.

A lease between the board and the proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. The equitable leasehold interest is amortised over 25 years based on the economic life of the capital works asset(s) involved. The interest may be realised on the sale of the capital works by the proprietor of the closure of the school.

The major capital works assets included in the equitable leasehold interest are:

Hall (Integrated)

Total

2023 Actual \$	2023 Budget \$	2022 Actual \$
204,694	205,000	210,757
204,694	205,000	210,757

13. Accounts Payable

Creditors
Accruals
Employee Entitlements - Salaries
Employee Entitlements - Leave Accrual

Payables for Exchange Transactions

The carrying value of payables approximates their fair value.

2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
13,717	27,500	19,799
12,545	8,800	7,273
119,083	-	106,971
4,096	4,000	3,917
149,441	40,300	137,960
149,441	40,300	137,960
149,441	40,300	137,960

14. Revenue Received in Advance

Grants in Advance - Ministry of Education
Other revenue in Advance

2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
4,196	-	-
13,157	12,000	11,763
17,353	12,000	11,763

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

15. Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Provision at the Start of the Year	95,937	50,902	191,730
Increase to the Provision During the Year	3,650	20,000	(86,878)
Use of the Provision During the Year	-	-	(8,915)
Provision at the End of the Year	99,587	70,902	95,937
Cyclical Maintenance - Current	20,838	20,000	45,035
Cyclical Maintenance - Non current	78,749	70,902	50,902
	99,587	90,902	95,937

16. Finance Lease Liability

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
No Later than One Year	19,661	8,000	20,037
Later than One Year and no Later than Five Years	18,887	24,000	25,959
Later than Five Years	(4,361)	(2,000)	(5,081)
	34,187	30,000	40,915
Represented by			
Finance lease liability - Current	17,187	6,000	16,906
Finance lease liability - Non current	17,000	24,000	24,009
	34,187	30,000	40,915

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

17. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

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

The Proprietor of the School (Catholic Diocese of Auckland) is a related party of the School Board because the proprietor appoints representatives to the School Board, giving the proprietor significant influence over the School Board. Any services or contributions between the School 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 Statement of Comprehensive Revenue and Expense as 'Use of Land and Buildings'.

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include attendance dues, building levy and special character donations payable to the Proprietor. The amounts collected in total were \$114,736 (2022: \$112,867). These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the proprietor are \$9,088 (2022: \$7,306).

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

18. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	7,642	6,155
<i>Leadership Team</i>		
Remuneration	371,639	340,162
Full-time equivalent members	3	3
Total key management personnel remuneration	379,281	346,317

There are 9 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 (3 members) and Property (4 members) committees that meet monthly. 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

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	140-150	130-140
Benefits and Other Emoluments	0-5	0-5

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
110-120	2.00	0.00
100-110	0.00	2.00
	2.00	2.00

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

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

19. Contingencies

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

Holidays Act Compliance – Schools Payroll

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

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

20. Commitments

(a) Capital Commitments

At 31 December 2023, the Board has not entered into any capital commitments (2022:\$Nil).

(b) Operating Commitments

As at 31 December 2023, the Board has not entered into any new contracts. (2022:\$Nil)

21. Financial Instruments

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

Financial assets measured at amortised cost

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Cash and Cash Equivalents	698,884	416,395	522,409
Receivables	146,150	2,000	107,448
Investments - Term Deposits	187,146	182,054	182,054
Total financial assets measured at amortised cost	<u>1,032,180</u>	<u>600,449</u>	<u>811,911</u>

Financial liabilities measured at amortised cost

Payables	149,441	40,300	137,960
Finance Leases	34,187	30,000	40,915
Total financial liabilities measured at amortised cost	<u>183,628</u>	<u>70,300</u>	<u>178,875</u>

Mt Carmel School

Notes to the Financial Statements

For the year ended 31 December 2023

22. Events After Balance Date

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

23. Comparatives

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