



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

School Directory

Ministry Number: 291

Principal: Maree Furness

School Address: 6700 State Highway 6, Rai Valley 7145

School Phone: 03 571 6016

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Accountant / Service Provider:

Solutions & Services
Collaborative School Administration

RAI VALLEY AREA SCHOOL

Annual Financial Statements - For the year ended 31 December 2024

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Rai Valley Area School

Statement of Responsibility

For the year ended 31 December 2024

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

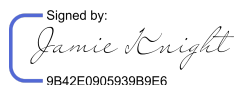
The management, including the Principal and others as directed by the Board, accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the School's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2024 fairly reflects the financial position and operations of the School.

The School's 2024 financial statements are authorised for issue by the Board.

Jamie Knight

Full Name of Presiding Member

Signed by:

9B42E0905939B9E6

Signature of Presiding Member

30 May 2025

Date:

Maree Furness

Full Name of Principal

Signed by:

B29966AF3089E104

Signature of Principal

30 May 2025

Date:

Rai Valley Area School Members of the Board

For the year ended 31 December 2024

Name	Position	How Position Gained	Term Expired/ Expires
Jamie Knight	Presiding Member	Elected	Sep 2025
Maree Furness	Principal	ex Officio	
Justin Morrison	Parent Representative	Elected	Sep 2025
Glen Hatcher	Parent Representative	Elected	Sep 2025
Sarah Hope	Parent Representative	Elected	Sep 2025
Kristen Aldridge	Parent Representative	Elected	Sep 2025
Jessica Massey	Staff Representative	Elected	Sep 2025
Elliott Hatcher	Student Representative	Elected	Sep 2025

Rai Valley Area School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2024

		2024	2024	2023
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	2,787,088	2,583,652	2,639,461
Locally Raised Funds	3	111,239	72,450	105,960
Interest		23,956	15,000	19,317
Total Revenue		2,922,283	2,671,102	2,764,738
Expense				
Locally Raised Funds	3	33,809	22,200	48,300
Learning Resources	4	1,924,340	1,895,880	1,874,652
Administration	5	396,672	245,485	254,329
Interest		911	735	911
Property	6	646,937	604,532	645,052
Loss on Disposal of Property, Plant and Equipment		110	-	51
Total Expense		3,002,779	2,768,832	2,823,295
Net (Deficit) for the year		(80,496)	(97,730)	(58,557)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(80,496)	(97,730)	(58,557)

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

Rai Valley Area School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2024

	Notes	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Equity at 1 January		650,175	650,175	708,732
Total comprehensive revenue and expense for the year		(80,496)	(97,730)	(58,557)
Equity at 31 December		569,679	552,445	650,175
Accumulated comprehensive revenue and expense		569,679	552,445	650,175
Equity at 31 December		569,679	552,445	650,175

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.

Rai Valley Area School

Statement of Financial Position

As at 31 December 2024

		2024	2024	2023
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	64,789	17,564	17,421
Accounts Receivable	8	160,196	133,371	133,371
GST Receivable		1,526	-	-
Prepayments		29,079	22,737	22,737
Investments	9	271,690	260,663	375,035
		527,280	434,335	548,564
Current Liabilities				
GST Payable		-	12,849	12,849
Accounts Payable	11	196,108	162,122	162,122
Borrowings	12	27,758	27,758	27,758
Revenue Received in Advance	13	-	4,146	4,146
Provision for Cyclical Maintenance	14	7,563	-	5,672
Finance Lease Liability	15	4,269	4,211	4,211
Funds held in Trust	16	3,479	3,479	3,479
		239,177	214,565	220,237
Working Capital Surplus		288,103	219,770	328,327
Non-current Assets				
Property, Plant and Equipment	10	450,308	468,811	473,811
		450,308	468,811	473,811
Non-current Liabilities				
Borrowings	12	54,629	54,629	73,564
Provision for Cyclical Maintenance	14	105,119	74,534	71,426
Finance Lease Liability	15	8,984	6,973	6,973
		168,732	136,136	151,963
Net Assets		569,679	552,445	650,175
Equity		569,679	552,445	650,175

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

Rai Valley Area School

Statement of Cash Flows

For the year ended 31 December 2024

		2024	2024	2023
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities				
Government Grants		679,155	672,620	669,562
Locally Raised Funds		109,942	72,450	107,387
Goods and Services Tax (net)		(14,375)	-	(2,937)
Payments to Employees		(427,409)	(344,000)	(359,185)
Payments to Suppliers		(386,717)	(446,806)	(358,267)
Interest Paid		(911)	(735)	(911)
Interest Received		24,745	15,000	13,759
Net cash (to)/from Operating Activities		(15,570)	(31,471)	69,408
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(18,873)	(55,000)	(18,562)
Purchase of Investments		-	-	(22,007)
Proceeds from Sale of Investments		103,345	114,372	-
Net cash from/(to) Investing Activities		84,472	59,372	(40,569)
Cash flows from Financing Activities				
Finance Lease Payments		(2,599)	-	(6,574)
Repayment of Loans		(18,935)	(27,758)	(18,905)
Funds Administered on Behalf of Other Parties		-	-	(3,503)
Net cash (to) Financing Activities		(21,534)	(27,758)	(28,982)
Net increase/(decrease) in cash and cash equivalents		47,368	143	(143)
Cash and cash equivalents at the beginning of the year	7	17,421	17,421	17,564
Cash and cash equivalents at the end of the year	7	64,789	17,564	17,421

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.

Rai Valley Area School

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

1.1. Reporting Entity

Rai Valley Area 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.

1.2. Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2024 to 31 December 2024 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 expenditure threshold of \$33 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical Maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment, as disclosed in the significant accounting policies, are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.

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 22b.

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.

1.3. 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 to which they relate. 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 to which they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

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

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

Other Grants where conditions exist

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

1.4. Operating Lease Payments

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

1.5. 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.

1.6. 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.

1.7. Accounts Receivable

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

1.8. Investments

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

1.9. Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building Improvements	10–75 years
Furniture and Equipment	5–15 years
Information and Communication Technology	4–5 years
Leased Assets held under a Finance Lease	Term of Lease
Library Resources	12.5% Diminishing value

1.10. Impairment of property, plant and equipment

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 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 as 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 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.

1.11. 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.

1.12. 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, 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.

1.13. Revenue Received in Advance

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

1.14. 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.

1.15. 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.

1.16. Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting of the School, makes up the most significant part of the Board's responsibilities outside the 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 variety of periods in accordance with the conditional assessment of each area of the school. 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.

1.17. Financial Instruments

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

The School's financial liabilities comprise accounts payable, 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.

1.18. 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.

1.19. Budget Figures

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

1.20. Services received in-kind

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

2. Government Grants

	2024	2024	2023
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Government Grants - Ministry of Education	653,541	647,020	657,183
Teachers' Salaries Grants	1,555,945	1,551,750	1,551,749
Use of Land and Buildings Grants	388,516	359,282	359,282
Ka Ora, Ka Ako - Healthy School Lunches Programme	153,686	-	61,482
Other Government Grants	35,400	25,600	9,765
	<u>2,787,088</u>	<u>2,583,652</u>	<u>2,639,461</u>

3. Locally Raised Funds

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

	2024	2024	2023
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations and Bequests	12,077	13,000	14,211
Fees for Extra Curricular Activities	3,875	3,500	17,789
Trading	1,521	1,000	1,009
Fundraising and Community Grants	25,310	500	6,769
Other Revenue	68,456	54,450	66,182
	<u>111,239</u>	<u>72,450</u>	<u>105,960</u>
Expenses			
Extra Curricular Activities Costs	17,917	21,200	40,623
Trading	2,666	1,000	4,548
Fundraising and Community Grant Costs	13,226	-	3,129
	<u>33,809</u>	<u>22,200</u>	<u>48,300</u>
	<u>77,430</u>	<u>50,250</u>	<u>57,660</u>

Surplus for the year Locally raised funds

4. Learning Resources

	2024	2024	2023
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	93,844	108,630	78,244
Information and Communication Technology	6,707	6,550	2,115
Employee Benefits - Salaries	1,755,544	1,699,750	1,716,881
Other Learning Resources	2,227	3,450	2,606
Staff Development	16,706	17,500	15,126
Depreciation	49,312	60,000	59,680
	<u>1,924,340</u>	<u>1,895,880</u>	<u>1,874,652</u>

5. Administration

	2024	2024	2023
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Audit Fees	10,604	7,000	6,339
Board Fees and Expenses	18,637	28,000	12,253
Ka Ora, Ka Ako - Healthy School Lunches Programme	153,686	-	59,824
Other Administration Expenses	66,485	96,485	66,211
Employee Benefits - Salaries	109,794	76,000	76,402
Insurance	24,956	23,000	20,449
Service Providers, Contractors and Consultancy	12,510	15,000	12,851
	<u>396,672</u>	<u>245,485</u>	<u>254,329</u>

6. Property

	2024	2024 Budget	2023
	Actual	(Unaudited)	Actual
	\$	\$	\$
Cyclical Maintenance	37,788	28,000	28,935
Adjustment to the Provision- Other Adjustments	6,619	-	-
Heat, Light and Water	27,229	25,200	18,764
Repairs and Maintenance	50,470	52,800	99,213
Use of Land and Buildings	388,516	359,282	359,282
Other Property Expenses	20,816	19,250	20,000
Employee Benefits - Salaries	115,499	120,000	118,858
	<u>646,937</u>	<u>604,532</u>	<u>645,052</u>

The Use of Land and Buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Cash and Cash Equivalents

	2024	2024 Budget	2023
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Accounts	64,789	17,564	17,421
Cash and Cash Equivalents for Statement of Cash Flows	<u>64,789</u>	<u>17,564</u>	<u>17,421</u>

Of the \$64,789 Cash and Cash Equivalents, \$3,479 of Funds Held in Trust is held by the School, as disclosed in note 16.

8. Accounts Receivable

	2024	2024 Budget	2023
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	460	200	200
Receivables from the Ministry of Education	4,107	-	-
Interest Receivable	9,867	10,656	10,656
Teacher Salaries Grant Receivable	145,762	122,515	122,515
	<u>160,196</u>	<u>133,371</u>	<u>133,371</u>
Receivables from Exchange Transactions	10,327	10,856	10,856
Receivables from Non-Exchange Transactions	149,869	122,515	122,515
	<u>160,196</u>	<u>133,371</u>	<u>133,371</u>

9. Investments

The School's investment activities are classified as follows:

	2024	2024 Budget	2023
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	271,690	260,663	375,035
Total Investments	<u>271,690</u>	<u>260,663</u>	<u>375,035</u>

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2024	\$	\$	\$	\$	\$	\$
Building Improvements	358,371	-	-	-	(11,913)	346,458
Furniture and Equipment	51,015	12,459	-	-	(13,788)	49,686
Information and Communication Technology	19,924	1,915	-	-	(9,569)	12,270
Motor Vehicles	15,063	-	-	-	(6,260)	8,803
Leased Assets	11,031	6,792	-	-	(4,901)	12,922
Library Resources	18,407	4,753	(110)	-	(2,881)	20,169
Balance at 31 December 2024	473,811	25,919	(110)	-	(49,312)	450,308

The net carrying value of furniture and equipment held under a finance lease is \$12,922 (2023: \$11,031)

Restrictions

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

	2024	2024	2024	2023	2023	2023
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	717,465	(371,007)	346,458	717,465	(359,094)	358,371
Furniture and Equipment	334,121	(284,435)	49,686	321,663	(270,648)	51,015
Information and Communication Technology	242,348	(230,078)	12,270	240,433	(220,509)	19,924
Motor Vehicles	77,473	(68,670)	8,803	77,473	(62,410)	15,063
Leased Assets	17,230	(4,308)	12,922	27,127	(16,096)	11,031
Library Resources	137,889	(117,720)	20,169	133,936	(115,529)	18,407
Balance at 31 December	1,526,526	(1,076,218)	450,308	1,518,097	(1,044,286)	473,811

11. Accounts Payable

	2024	2024 Budget (Unaudited)	2023
	Actual \$	\$	Actual \$
Creditors	27,588	18,397	18,397
Accruals	8,554	4,489	4,489
Employee Entitlements - Salaries	147,089	123,576	123,576
Employee Entitlements - Leave Accrual	12,877	15,660	15,660
	196,108	162,122	162,122
Payables for Exchange Transactions	196,108	162,122	162,122
	196,108	162,122	162,122

The carrying value of payables approximates their fair value.

12. Borrowings

	2024	2024 Budget (Unaudited)	2023
	Actual \$	\$	Actual \$
Due within one year	27,758	27,758	27,758
	27,758	27,758	27,758
Due after one year	54,629	54,629	73,564
	54,629	54,629	73,564

In 2022 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering a seven year period. The programme provides for an exterior repaint of the school and school house. The agreement has an annual commitment of \$27,758 (total for 7 years of \$194,306). The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

13. Revenue Received in Advance

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Grants in Advance - Ministry of Education	-	3,363	3,363
Other Revenue in Advance	-	783	783
	-	4,146	4,146

14. Provision for Cyclical Maintenance

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Provision at the Start of the Year	77,098	77,098	54,780
Increase to the Provision During the Year	37,788	28,000	28,935
Use of the Provision During the Year	(8,823)	(30,564)	(6,617)
Other Adjustments	6,619	-	-
Provision at the End of the Year	112,682	74,534	77,098
Cyclical Maintenance - Current	7,563	-	5,672
Cyclical Maintenance - Non current	105,119	74,534	71,426
	112,682	74,534	77,098

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

15. Finance Lease Liability

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

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
No later than one year	5,232	4,947	4,947
Later than One Year	9,577	7,144	7,144
Future Finance Charges	(1,556)	(907)	(907)
	13,253	11,184	11,184
Represented by:			
Finance lease liability - Current	4,269	4,211	4,211
Finance lease liability - Non-current	8,984	6,973	6,973
	13,253	11,184	11,184

16. Funds Held in Trust

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	3,479	3,479	3,479
	3,479	3,479	3,479

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

17. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7, and includes retentions on the projects, if applicable. There were no projects in 2024.

2023	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Site Wide Security Upgrade 235400	3,969	-	(3,969)	-	-
Hot Water Project 226721	-	21,600	(21,600)	-	-
Totals	3,969	21,600	(25,569)	-	-

18. 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.

19. Remuneration

Key management personnel compensation

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

	2024 Actual \$	2023 Actual \$
<i>Board Members</i>		
Remuneration	3,185	3,865
<i>Leadership Team</i>		
Remuneration	411,208	514,484
Full-time equivalent members	3.00	4.00
Total key management personnel remuneration	414,393	518,349

There are seven members of the Board excluding the Principal. The Board had held eight full meetings of the Board in the year. The Board also has Finance (four members) and Property (five 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

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

	2024 Actual \$000	2023 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	170 - 180	170 - 180
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2024 FTE Number	2023 FTE Number
100 - 110	4.00	3.00
110 - 120	-	1.00
120 - 130	1.00	1.00
	5.00	5.00

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

20. Compensation and Other Benefits Upon Leaving

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

		2024 Actual	2023 Actual
Total	\$000	0 - 5	\$ -
Number of People		2	-

21. Contingencies

There are no contingent liabilities and no contingent assets except as noted below as at 31 December 2024 (Contingent liabilities and assets at 31 December 2023: nil).

Holidays Act Compliance – Schools Payroll

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

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

Pay Equity Settlement Wash Up amounts

In 2024 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. At the date of signing the financial statements the School's final entitlement for the year ended 31 December 2024 has not yet been advised. The School has therefore not recognised an asset or a liability regarding this funding wash-up, which is expected to be settled in July 2025.

22. Commitments

(a) Capital Commitments

At 31 December 2024, the Board had capital commitments of \$61,798 (2023:\$nil) as a result of entering the following contracts:

Contract Name	2024 Capital Commitment \$
Toyota Hiace Minibus 12 Seater	61,798
Total	61,798

(b) Operating Commitments

As at 31 December 2024 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2023: nil)

23. Financial Instruments

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

Financial assets measured at amortised cost

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Cash and Cash Equivalents	64,789	17,564	17,421
Receivables	160,196	133,371	133,371
Investments - Term Deposits	271,690	260,663	375,035
Total Financial assets measured at amortised cost	496,675	411,598	525,827

Financial liabilities measured at amortised cost

Payables	196,108	162,122	162,122
Borrowings - Loans	82,387	82,387	101,322
Finance Leases	13,253	11,184	11,184
Total Financial liabilities measured at amortised Cost	291,748	255,693	274,628

24. Events After Balance Date

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

25. Comparatives

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

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF RAI VALLEY AREA SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Auditor-General is the auditor of Rai Valley Area School (the School). The Auditor-General has appointed me, Warren Johnston using the staff and resources of BDO Christchurch Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 3 to 17, that comprise the statement of financial position as at 31 December 2024, 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 financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2024; 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 30 May 2025. 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 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.

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 financial statements

The Board is responsible on behalf of the School for preparing 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 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 financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

For the budget information reported in the 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 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 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 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 financial statements, including the disclosures, and whether the 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 school 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 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 is responsible for the other information. The other information comprises the Members of the Board listing, Kiwisport Report, Report on how the school has given effect to Te Tiriti o Waitangi and the Statement of Compliance with Employment Policy, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the 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 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

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



Warren Johnstone,
BDO Christchurch Audit Limited
On behalf of the Auditor-General
Christchurch, New Zealand

Kiwi Sport Funding Annual Report

Kiwi sport is a government funding initiative to support students' participation in organised sport. In 2024, the school received total Kiwi sport funding of \$2087.21 (excluding GST). The funding was spent on growing and supporting and growing sporting activities in our school. We have used the funding to support transport to sporting events in Nelson and Blenheim as well as subsidized subs to ensure that there are no barriers for student participation. Money was also used to support the purchase of sporting equipment and uniforms.

How we gave effect to Te Tiriti o Waitangi

Rai Valley Area School aims to provide programmes that reflect and include Te Reo Māori and Tikanga Māori which include reference to Aotearoa New Zealand's unique cultural heritage and diversity.

- Continued to develop a Kapa Haka group that meet regularly though out the year
- Worked with Ngati Koata Rangatira to learn haka and protocols for mihi whakatau and poroporoaki
- We have continued to grow our teacher's knowledge and skills of Te Reo and Tikanga
- Focused teaching and learning, through Priority for all students but in particular, Māori students who are at risk of not achieving. Māori Learners attending and achieving at or above NZ European
- Increased engagement with our Māori whanau to ensure their needs and wishes are being meet for their Tamariki.
- Celebration of Matariki as a whole school celebration and beginning to grow community engagement in this event
- Continued to develop an increased range of Wairata and Karakia. Focused on Wairata that linked to our local Iwi.
- Noho Marae visit for our Year 6-8 students with other Pelorus Schools
- Increased use of Te Reo used naturally around school
- Continue to build relationships with Te Rūnanga o Ngāti Kuia. Especially through the Kai
- The development of the Kaitiaki Group with Te Rūnanga o Ngāti Kuia
- Develop and build a relationship with Te Rūnanga o Ngāti Koata

Compliance with Education and Training Act 2020

Requirements to be a good employer for the year ending 31 December 2024.

The following' questions address key aspects of compliance with a employer policy:

How have you met your obligations to provide good and safe working conditions?	<p>By following the guidelines in our Health, Safety and Welfare Policy available publicly on the school docs website which states:</p> <p>A primary objective of the board is to ensure that Rai Valley School is a physically and emotionally safe place for all students and staff, as required by the Education and Training Act 2020 (s. 127) and in support of the Statement of National Education and Learning Priorities (NELP: Priority 1) Last reviewedTerm1,2023.</p>
What is your equal employment opportunities programme? How have you been fulfilling this programme?	<p>Rai Valley School operates an employment policy that complies with the principle of being a good employer and ensures the fair and proper treatment of staff in all aspects of their employment. This Equal Employment Opportunities (EEO) policy is our framework for providing an inclusive, non-discriminatory workplace, and promoting equal opportunities for all staff members.</p>

How do you practice impartial selection of suitably qualified persons for appointment	Candidates are evaluated according to their experience, the needs of our students and our school, The job description, referee's reports and strengths they bring.(in alignment with our EEO Policy)
How are you recognizing -The aims and aspirations of Māori -The employment requirements of Māori and' -Greater involvement of Māori in the Education service?	This will be considered when interviewing a candidate for a position within our school. Regular discussions with staff and encouragement to further develop their own knowledge or seek PD opportunities to upskill themselves to be the best version of themselves that they can be. This approach will then benefit the ākonga in the classroom
How have you enhanced the abilities of Individual employees?	We have allocated Operation Funding to support teachers' professional development opportunities and encourage them to be proactive and seek out these opportunities to strengthen areas of weakness or further develop area of strength
How are you recognizing the employment requirements of women?	We are a primarily a staff of women <ul style="list-style-type: none"> • Sick leave provision for dependents • Personal amenities for women • Encouraging staff to engage in PLD • Allow dependents to come to work when required • Morning tea supplied by BOT during the year
How are you recognizing the employment requirements of persons with disabilities?	In 2023 we continued to review access for staff with disabilities <ul style="list-style-type: none"> • We have wheelchair access to all parts of the school • Disabled car-park space • Disability toilets • 2 staff members with a disability

Reporting on Equal Employment Opportunities. (EEO) programme /Policy	Yes	No
Do you operate an EEO programme /Policy	Y	
Has this EEO Policy being made available to staff	Y	
Does your EEO programme /policy include training to raise awareness that may impact EEO?		N
Has your EEO programme/ policy appointed someone to co-ordinate compliance with its requirements	Y in 223	
Does your EEO programme/policy provide for regular reporting on compliance with policy and/or achievements under policy	Y	
Does your EEO programme/policy set priorities and objectives?		N