



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number:	1172
Principal:	Chris Mitchell
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CORNERSTONE CHRISTIAN SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

Index

Page	Statement
<u>1</u>	Statement of Responsibility
<u>2</u>	Members of the Board
<u>3</u>	Statement of Comprehensive Revenue and Expense
<u>4</u>	Statement of Changes in Net Assets/Equity
<u>5</u>	Statement of Financial Position
<u>6</u>	Statement of Cash Flows
<u>7 - 17</u>	Notes to the Financial Statements
	Independent Auditor's Report

Cornerstone Christian 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.

Braden Paul Simpson
Full Name of Presiding Member

BP Simpson
Signature of Presiding Member

17/5/2024
Date:

Christopher David Mitchell
Full Name of Principal

[Signature]
Signature of Principal

17/5/24
Date:

Cornerstone Christian School

Members of the Board

For the year ended 31 December 2023

Name	Position	How Position Gained	Term Expired/ Expires
Braden Simpson	Presiding Member	Elected	Sep 2025
Chris Mitchell	Principal	ex Officio	
Richard Tankersley	Proprietors Representative	Appointed	Sep 2025
Simon McCracken	Proprietors Representative	Appointed	Sep 2025
Glenn de Groot	Proprietors Representative	Appointed	Sep 2025
Karina Anderson	Staff Representative	Elected	Sep 2025
Ruby Hewitt	Student Representative	Elected	Nov 2024
Paul Yates	Parent Representative	Elected	Sep 2025
Erin Reid	Parent Representative	Elected	Sep 2025
Gena Toa	Parent Representative	Elected	Sep 2025
Shane Casey	Parent Representative	Elected	Sep 2025
Jo Auer	Presiding Member	Elected	May 2023
Rachel Burn	Proprietors Representative	Appointed	Mar 2023
Caragh Aspden	Student Representative	Elected	Oct 2023
Marelize Bester	Parent Representative	Elected	Dec 2023

Cornerstone Christian School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	6,518,302	5,315,413	5,931,945
Locally Raised Funds	3	198,375	57,000	305,441
Use of Proprietor's Land and Buildings		1,078,298	1,400,000	941,361
Interest		21,577	3,000	3,558
Total Revenue		7,816,552	6,775,413	7,182,305
Expenses				
Locally Raised Funds	3	89,980	13,200	250,173
Learning Resources	4	6,092,662	4,932,403	5,248,461
Administration	5	366,959	324,473	335,765
Interest		6,408	-	3,903
Property	6	1,449,740	1,742,000	1,250,000
Other Expenses	7	1,618	-	1,618
Loss on Disposal of Property, Plant and Equipment		-	-	157
Total Expense		8,007,367	7,012,076	7,090,077
Net (Deficit)/Surplus for the year		(190,815)	(236,663)	92,228
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(190,815)	(236,663)	92,228

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



Cornerstone Christian 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		850,700	850,700	653,232
Total comprehensive revenue and expense for the year		(190,815)	(236,663)	92,228
Contribution - Furniture and Equipment Grant		120,783	-	105,240
Equity at 31 December		780,668	614,037	850,700
Accumulated comprehensive revenue and expense		780,668	614,037	846,793
Reserves	19	-	-	3,907
Equity at 31 December		780,668	614,037	850,700

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.



Cornerstone Christian School

Statement of Financial Position

As at 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	627,803	430,514	556,661
Accounts Receivable	9	415,238	505,173	505,173
GST Receivable		9,959	6,458	6,458
Prepayments		6,291	5,617	5,617
Inventories	10	-	2,288	2,288
		1,059,291	950,050	1,076,197
Current Liabilities				
Accounts Payable	13	515,897	470,695	470,695
Borrowings	14	508	1,381	1,381
Revenue Received in Advance	15	18,517	1,219	1,219
Provision for Cyclical Maintenance	16	14,259	15,825	36,455
Finance Lease Liability	17	29,354	19,904	19,129
Funds held in Trust	18	928	-	-
		579,463	509,024	528,879
Working Capital Surplus		479,828	441,026	547,318
Non-current Assets				
Property, Plant and Equipment	11	478,492	335,378	458,894
Equitable Leasehold Interest	12	30,748	32,366	32,366
		509,240	367,744	491,260
Non-current Liabilities				
Borrowings	14	-	506	506
Provision for Cyclical Maintenance	16	166,035	155,916	148,286
Finance Lease Liability	17	42,365	38,311	39,086
		208,400	194,733	187,878
Net Assets		780,668	614,037	850,700
Equity		780,668	614,037	850,700

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



Cornerstone Christian School

Statement of Cash Flows

For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		1,879,569	1,815,413	1,887,390
Locally Raised Funds		340,485	57,000	174,235
Goods and Services Tax (net)		(3,501)	-	(581)
Payments to Employees		(1,285,070)	(1,157,573)	(1,028,317)
Payments to Suppliers		(850,860)	(787,503)	(872,551)
Interest Paid		(6,408)	-	(3,903)
Interest Received		21,533	3,000	3,535
Net cash from/(to) Operating Activities		95,748	(69,663)	159,808
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(126,014)	(56,484)	(89,315)
Net cash (to) Investing Activities		(126,014)	(56,484)	(89,315)
Cash flows from Financing Activities				
Furniture and Equipment Grant		120,783	-	105,240
Finance Lease Payments		(18,924)	-	(17,390)
Repayment of Loans		(1,379)	-	(1,381)
Funds Administered on Behalf of Other Parties		928	-	-
Net cash from Financing Activities		101,408	-	86,469
Net increase/(decrease) in cash and cash equivalents		71,142	(126,147)	156,962
Cash and cash equivalents at the beginning of the year	8	556,661	556,661	399,699
Cash and cash equivalents at the end of the year	8	627,803	430,514	556,661

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.



Cornerstone Christian School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

1.1. Reporting Entity

Cornerstone Christian 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 reports 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 expenditure 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 whole 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 Proprietor'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 16.

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 17. Future operating lease commitments are disclosed in note 24b.

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 programmes 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 Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

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

Other Grants where conditions exist

Other grants are recorded as revenue when the 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. Inventories

Inventories are consumable items held for sale and comprised of school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

1.9. 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.

1.10. 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.

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:

Furniture and equipment	2-13 years
Information and communication technology	1-4 years
Leased assets held under a Finance Lease	Term of Lease
Motor vehicles	4-8 years
Textbooks	5 years
Library resources	8 years



1.11. 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 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 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.

1.12. 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.

1.13. 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.

1.14. 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.

1.15. 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 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.

1.16. 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.

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

The 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.

1.17. 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.

1.18. Budget Figures

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

1.19. Services received in-kind

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

2. Government Grants

	2023	2023 Budget (Unaudited)	2022
	Actual \$	\$	Actual \$
Government Grants - Ministry of Education	1,867,322	1,673,809	1,791,069
Teachers' Salaries Grants	4,598,534	3,500,000	4,052,132
Other Government Grants	52,446	141,604	88,744
	<u>6,518,302</u>	<u>5,315,413</u>	<u>5,931,945</u>

The School has opted in to the donations scheme for this year. Total amount received was \$94,013 (2022: \$88,650).

3. Locally Raised Funds

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

	2023	2023 Budget (Unaudited)	2022
	Actual \$	\$	Actual \$
Revenue			
Donations & Bequests	51,474	20,000	13,595
Fees for Extra Curricular Activities	56,696	-	39,736
Trading	42,943	13,000	199,402
Fundraising & Community Grants	3,000	6,000	28,760
Other Revenue	44,262	18,000	23,948
	<u>198,375</u>	<u>57,000</u>	<u>305,441</u>
Expenses			
Extra Curricular Activities Costs	46,284	2,000	36,299
Trading	25,539	11,200	213,874
Fundraising & Community Grant Costs	18,157	-	-
	<u>89,980</u>	<u>13,200</u>	<u>250,173</u>
<i>Surplus for the year Locally raised funds</i>	<u>108,395</u>	<u>43,800</u>	<u>55,268</u>

4. Learning Resources

	2023	2023 Budget (Unaudited)	2022
	Actual \$	\$	Actual \$
Curricular	335,601	345,390	307,655
Information and Communication Technology	17,967	49,140	23,016
Library Resources	642	2,800	702
Employee Benefits - Salaries	5,543,874	4,318,573	4,744,954
Staff Development	43,065	36,500	20,651
Depreciation	151,513	180,000	151,483
	<u>6,092,662</u>	<u>4,932,403</u>	<u>5,248,461</u>

5. Administration

	2023	2023 Budget (Unaudited)	2022
	Actual \$	\$	Actual \$
Audit Fee	6,014	6,464	6,726
Board Fees	4,410	7,500	6,410
Board Expenses	14,603	11,000	15,067
Communication	4,091	5,000	3,202
Consumables	26,231	22,000	19,972
Legal Fees	270	5,000	2,608
Other	56,984	44,620	38,468
Employee Benefits - Salaries	238,746	208,000	230,961
Insurance	7,987	7,889	5,451
Service Providers, Contractors and Consultancy	7,623	7,000	6,900
	<u>366,959</u>	<u>324,473</u>	<u>335,765</u>



6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	20,238	12,000	14,317
Consultancy and Contract Services	813	5,000	7,228
Cyclical Maintenance	8,042	35,000	11,276
Grounds	53,214	36,000	45,106
Heat, Light and Water	52,361	45,000	39,481
Rates	9,144	8,500	8,496
Repairs and Maintenance	55,658	65,500	62,668
Use of Land and Buildings	1,078,298	1,400,000	941,361
Security	9,281	4,000	3,925
Employee Benefits - Salaries	162,691	131,000	116,142
	<u>1,449,740</u>	<u>1,742,000</u>	<u>1,250,000</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 Expenses

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Amortisation of Equitable lease	1,618	-	1,618
	<u>1,618</u>	<u>-</u>	<u>1,618</u>

8. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	627,803	430,514	556,661
Cash and Cash Equivalents for Statement of Cash Flows	<u>627,803</u>	<u>430,514</u>	<u>556,661</u>

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

Of the \$627,803 Cash and Cash Equivalents, \$11,429 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

9. Accounts Receivable

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	6,942	143,183	143,183
Receivables from the Ministry of Education	26,053	-	-
Interest Receivable	91	47	47
Teacher Salaries Grant Receivable	382,152	361,943	361,943
	<u>415,238</u>	<u>505,173</u>	<u>505,173</u>
Receivables from Exchange Transactions	7,033	143,230	143,230
Receivables from Non-Exchange Transactions	408,205	361,943	361,943
	<u>415,238</u>	<u>505,173</u>	<u>505,173</u>

10. Inventories

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	-	2,288	2,288
	<u>-</u>	<u>2,288</u>	<u>2,288</u>



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Furniture and Equipment	370,528	118,588	-	-	(99,024)	390,092
Information and Communication Technology	28,085	3,125	-	-	(14,411)	16,799
Motor Vehicles	2,242	-	-	-	(868)	1,374
Textbooks	605	-	-	-	(605)	-
Leased Assets	57,354	45,097	-	-	(32,224)	70,227
Library Resources	80	4,301	-	-	(4,381)	-
Balance at 31 December 2023	458,894	171,111	-	-	(151,513)	478,492

The net carrying value of equipment held under a finance lease is \$70,227 (2022: \$57,354)

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.

	2023 Cost or Valuation	2023 Accumulated Depreciation	2023 Net Book Value	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	1,269,525	(879,433)	390,092	1,150,938	(780,410)	370,528
Information and Communication Technology	438,733	(421,934)	16,799	435,608	(407,523)	28,085
Motor Vehicles	61,166	(59,792)	1,374	61,166	(58,924)	2,242
Textbooks	99,932	(99,932)	-	99,932	(99,327)	605
Leased Assets	111,684	(41,457)	70,227	86,526	(29,172)	57,354
Library Resources	61,817	(61,817)	-	57,516	(57,436)	80
Balance at 31 December	2,042,857	(1,564,365)	478,492	1,891,686	(1,432,792)	458,894

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 of Trustees, 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 35 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.

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
The major capital works assets included in the equitable leasehold interest are:			
Senior Playground			
Cost	56,618	56,618	56,618
Balance at 31 December 2023	56,618	56,618	56,618
Less			
Amortisation expense	25,870	24,252	24,252
Balance at 31 December 2023	25,870	24,252	24,252
Balance at 31 December 2023	30,748	32,366	32,366
Annual Amortisation	1,618	-	1,618

13. Accounts Payable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Creditors	31,654	56,444	56,444
Accruals	6,464	6,726	6,726
Banking Staffing Overuse	2,537	-	-
Employee Entitlements - Salaries	470,672	402,702	402,702
Employee Entitlements - Leave Accrual	4,570	4,823	4,823
	515,897	470,695	470,695
Payables for Exchange Transactions	515,897	470,695	470,695
	515,897	470,695	470,695

The carrying value of payables approximates their fair value.



14. Borrowings

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Loans due in one year	508	1,381	1,381
Loans due after one year	-	506	506
	<u>508</u>	<u>1,887</u>	<u>1,887</u>

The School has borrowings at 31 December 2023 of \$508 (31 December 2022 \$1,887). This loan is for 2 iPhones and is interest free.

15. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Grants in Advance - Ministry of Education	11,429	-	-
Other Revenue in Advance	7,088	1,219	1,219
	<u>18,517</u>	<u>1,219</u>	<u>1,219</u>

16. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	184,741	184,741	195,749
Increase to the Provision During the Year	36,494	35,000	36,635
Use of the Provision During the Year	(12,489)	(48,000)	(22,284)
Other Adjustments	(28,452)	-	(25,359)
Provision at the End of the Year	<u>180,294</u>	<u>171,741</u>	<u>184,741</u>
Cyclical Maintenance - Current	14,259	15,825	36,455
Cyclical Maintenance - Non current	<u>166,035</u>	<u>155,916</u>	<u>148,286</u>
	<u>180,294</u>	<u>171,741</u>	<u>184,741</u>

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.

17. 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	33,885	23,618	23,618
Later than One Year and no Later than Five Years	45,663	42,800	42,800
Future Finance Charges	(7,829)	(8,203)	(8,203)
	<u>71,719</u>	<u>58,215</u>	<u>58,215</u>
Represented by:			
Finance lease liability - Current	29,354	19,904	19,129
Finance lease liability - Non current	<u>42,365</u>	<u>38,311</u>	<u>39,086</u>
	<u>71,719</u>	<u>58,215</u>	<u>58,215</u>

18. Funds Held in Trust

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	928	-	-
	<u>928</u>	<u>-</u>	<u>-</u>

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



19. Reserves

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
MOE - furniture & Equipment Grant - L Block	-	-	3,907
	-	-	3,907

20. 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 (Cornerstone Christian Education Trust) 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 1.3. 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".

21. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	4,410	6,410
<i>Leadership Team</i>		
Remuneration	898,328	839,761
Full-time equivalent members	7.00	7.00
Total key management personnel remuneration	902,738	846,171

There are 10 members of the Board excluding the Principal. The Board had held nine meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions and other disciplinary matters.

Principal

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	170 - 180	160 - 170
Benefits and Other Emoluments	5 - 6	5 - 6
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	2023 FTE Number	2022 FTE Number
100 - 110	7.00	12.00
110 - 120	14.00	3.00
120 - 130	2.00	1.00
	23.00	16.00

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



22. Compensation and Other Benefits Upon Leaving

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

	2023 Actual	2022 Actual
Total	\$ -	\$ 14,000
Number of People	-	2

23. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

Pay Equity Settlement Wash Up amounts

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

24. Commitments

(a) Capital Commitments

As at 31 December 2023 the Board has not entered into any capital commitments.

(b) Operating Commitments

As at 31 December 2023 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2022: nil)

25. 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	627,803	430,514	556,661
Receivables	415,238	505,173	505,173
Total Financial assets measured at amortised cost	1,043,041	935,687	1,061,834

Financial liabilities measured at amortised cost

Payables	515,897	470,695	470,695
Borrowings - Loans	508	1,887	1,887
Finance Leases	71,719	58,215	58,215
Total Financial liabilities measured at amortised Cost	588,124	530,797	530,797

26. Events After Balance Date

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

27. 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 CORNERSTONE CHRISTIAN SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Auditor-General is the auditor of Cornerstone Christian School (the School). The Auditor-General has appointed me, Vivien Cotton, using the staff and resources of Cotton Kelly Smit Limited (CKS Audit), 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 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the 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 2023; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Sector - Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 21 May 2024. 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 information included in the Statement of Variance which incorporates the evaluation of students progress and achievement and Te Tiriti o Waitangi, the Kiwisport Report, the Statement of Compliance with Employment Policy, the Members of the Board, and the Statement of Responsibility, 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* issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we are responsible for the audit of the Proprietor, the Cornerstone Christian Education Trust. This audit is compatible with independence requirements. Other than this audit and the audit of the Proprietor, we have no relationship with, or interests in the School.



Vivien Cotton
CKS Audit
On behalf of the Auditor-General
Palmerston North, New Zealand

Statement of Compliance with Employment Policy

For the year ended 31st December 2023 the Cornerstone Christian School Board:

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

31 December 2023

To Whom It May Concern

Cornerstone Christian School currently utilises the Kiwi Sport funding to support the administration of our extra-curricular sports program.

In 2023 we had 30 teams with 260 participants out of a roll of 620 students.

The fund allows us to subsidise 10 hours per week (out of the contracted 20) to support our sports co-ordinator to administer the formation of teams, organise coaches, managers and umpires. Our sports co-ordinator also liaises with relevant associations to register teams, ensure payments and correspond with relevant groups.

She also supports teams in their games, ensuring students are committed to their sports and display the school values towards their team, their coach, opposing teams and organisers.



Vicki Scoggins
Executive Officer
Cornerstone Christian School