

# MARLBOROUGH BOYS' COLLEGE



## ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

**School Directory**

<b>Ministry Number:</b>	288
<b>Principal:</b>	John Kendal
<b>School Address:</b>	5 Stephenson Street, Blenheim 7201
<b>School Phone:</b>	03 578 0119
<b>School Email:</b>	<a href="mailto:office@mbc.school.nz">office@mbc.school.nz</a>

# MARLBOROUGH BOYS' COLLEGE

Annual Financial Statements - For the year ended 31 December 2023

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# Marlborough Boys' College

## 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.

**Tim Burfoot**

Full Name of Presiding Member

Signed by:  
  
727EA08C449C47B8

Signature of Presiding Member

07/10/2024

Date:

**John Kendal**

Full Name of Principal

Signed by:  
  
AC2344EF51828FE

Signature of Principal

07/10/2024

Date:

# Marlborough Boys' College

## Members of the Board

For the year ended 31 December 2023

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Tim Burfoot	Presiding Member	Elected	Nov 2026
John Kendal	Principal	ex Officio	
Steve Wilkes	Parent Representative	Elected	2025
Miriam Radich	Parent Representative	Elected	2025
Lindsay McCallum	Parent Representative	Elected	2025
Huia Crosby	Parent Representative	Elected	Nov 2026
Geoff Van Asch	Parent Representative	Elected	Nov 2023
Johnny Joseph		Co-opted	Jan 2024
Richard Coningham		Co-opted	Feb 2025
Joshua Harrison	Staff Representative	Elected	Jan 2024
Denyse Healy	Staff Representative	Elected	2025
Tyler Lang	Student Representative	Elected	Sep 2024
Joseph Alipia	Student Representative	Elected	Sep 2023

# Marlborough Boys' College

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	10,731,380	10,144,402	10,341,601
Locally Raised Funds	3	1,147,580	661,228	392,438
Interest		36,260	-	6,716
<b>Total Revenue</b>		<b>11,915,220</b>	<b>10,805,630</b>	<b>10,740,755</b>
<b>Expenses</b>				
Locally Raised Funds	3	834,057	345,685	335,415
Learning Resources	4	8,866,207	8,606,546	8,229,659
Administration	5	1,117,702	932,440	951,788
Interest		6,106	-	9,293
Property	6	1,374,923	1,069,073	1,142,912
Loss on Disposal of Property, Plant and Equipment		-	-	114
<b>Total Expense</b>		<b>12,198,995</b>	<b>10,953,744</b>	<b>10,669,181</b>
<b>Net (Deficit)/Surplus for the year</b>		<b>(283,775)</b>	<b>(148,114)</b>	<b>71,574</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(283,775)</b>	<b>(148,114)</b>	<b>71,574</b>

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

# Marlborough Boys' College

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Equity at 1 January</b>		1,202,076	1,202,076	1,130,502
Total comprehensive revenue and expense for the year		(283,775)	(148,114)	71,574
Contribution - Furniture and Equipment Grant		175,002	-	-
<b>Equity at 31 December</b>		1,093,303	1,053,962	1,202,076
Accumulated comprehensive revenue and expense		1,093,303	1,053,962	1,202,076
<b>Equity at 31 December</b>		1,093,303	1,053,962	1,202,076

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.

# Marlborough Boys' College

## Statement of Financial Position

As at 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	7	864,585	1,215,877	1,138,991
Accounts Receivable	8	682,208	636,265	636,265
GST Receivable		104,766	66,353	66,353
Prepayments		7,052	43,178	43,178
Inventories	9	131,396	-	-
Funds Receivable for Capital Works Projects	15	14,897	17,236	17,236
		<u>1,804,904</u>	<u>1,978,909</u>	<u>1,902,023</u>
<b>Current Liabilities</b>				
Accounts Payable	11	1,055,712	860,842	860,842
Revenue Received in Advance	12	346,192	302,155	302,155
Finance Lease Liability	13	61,792	70,063	70,063
Funds held in Trust	14	11,381	40,019	40,019
Funds held for Capital Works Projects	15	61,170	110,178	110,178
		<u>1,536,247</u>	<u>1,383,257</u>	<u>1,383,257</u>
<b>Working Capital Surplus/(Deficit)</b>		268,657	595,652	518,766
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	849,230	523,392	748,392
		<u>849,230</u>	<u>523,392</u>	<u>748,392</u>
<b>Non-current Liabilities</b>				
Finance Lease Liability	13	24,584	65,082	65,082
		<u>24,584</u>	<u>65,082</u>	<u>65,082</u>
<b>Net Assets</b>		<u>1,093,303</u>	<u>1,053,962</u>	<u>1,202,076</u>
<b>Equity</b>		<u>1,093,303</u>	<u>1,053,962</u>	<u>1,202,076</u>

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

# Marlborough Boys' College

## Statement of Cash Flows

For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		2,925,049	3,116,296	3,439,311
Locally Raised Funds		1,118,709	636,880	388,986
International Students		121,432	24,348	57,403
Goods and Services Tax (net)		(38,413)	-	17,060
Payments to Employees		(1,865,267)	(1,831,770)	(1,742,449)
Payments to Suppliers		(2,465,670)	(1,868,868)	(1,593,042)
Interest Paid		(6,106)	-	-
Interest Received		36,260	-	6,716
Net cash (to)/from Operating Activities		(174,006)	76,886	573,985
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(142,108)	-	(99,874)
Net cash (to) Investing Activities		(142,108)	-	(99,874)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		175,002	-	-
Finance Lease Payments		(57,987)	-	(69,041)
Funds Administered on Behalf of Other Parties		(75,307)	-	(136,884)
Net cash from/(to) Financing Activities		41,708	-	(205,925)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(274,406)</b>	<b>76,886</b>	<b>268,186</b>
Cash and cash equivalents at the beginning of the year	7	1,138,991	1,138,991	870,805
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>864,585</b>	<b>1,215,877</b>	<b>1,138,991</b>

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.



# Marlborough Boys' College

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### 1. Statement of Accounting Policies

##### 1.1. Reporting Entity

Marlborough Boys' College (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 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.

###### *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 13. Future operating lease commitments are disclosed in note 21b.

#### ***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. 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	5-15 years
Furniture and equipment	5-20 years
Information and communication technology	3-5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	50 years

### **1.10. 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 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.

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

### **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. Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts 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.

**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.

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.

**1.18. 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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	3,024,617	3,018,879	3,315,068
Teachers' Salaries Grants	7,039,931	6,600,000	6,423,213
Use of Land and Buildings Grants	584,789	450,000	520,755
Other Government Grants	82,043	75,523	82,565
	<u>10,731,380</u>	<u>10,144,402</u>	<u>10,341,601</u>

The School has opted in to the donations scheme for this year. Total amount received was \$151,346 (2022: \$141,150).

## 3. Locally Raised Funds

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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations & Bequests	165,534	140,480	78,696
Fees for Extra Curricular Activities	462,619	301,400	283,262
Trading	6,319	-	-
Other Revenue	162,378	195,000	30,480
International Student Fees	56,278	24,348	-
Overseas Trip Income	294,452	-	-
	<u>1,147,580</u>	<u>661,228</u>	<u>392,438</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	489,240	325,400	331,487
Trading	26,836	16,457	-
International Student - Student Recruitment	1,839	-	22
International Student - Employee Benefit - Salaries	251	-	-
International Student - Other Expenses	29,536	3,828	3,906
Overseas Trip Expenses	286,355	-	-
	<u>834,057</u>	<u>345,685</u>	<u>335,415</u>
<i>Surplus for the year Locally raised funds</i>	<u>313,523</u>	<u>315,543</u>	<u>57,023</u>

During the year, a group of 29 Social Sciences students, four staff and two parent helpers travelled to the United States of America for educational purposes to visit significant geographic, historic and economic sites to gain an understanding of the various influences on patterns and culture. The trip was self funded with \$294,452 income recognised in Overseas Trip Income and \$286,355 costs recognised in Overseas Trip Expenses.

During the year the School hosted 2 International students (2022:nil)

## 4. Learning Resources

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	515,358	683,467	566,900
Information and Communication Technology	118,214	141,500	118,709
Employee Benefits - Salaries	7,941,910	7,516,579	7,258,746
Staff Development	48,544	40,000	33,087
Depreciation	242,181	225,000	252,217
	<u>8,866,207</u>	<u>8,606,546</u>	<u>8,229,659</u>

## 5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	11,656	11,200	9,113
Board Fees	165	5,060	-
Board Expenses	25,650	17,000	23,076
Communication	14,578	15,000	14,615
Consumables	27,844	14,000	21,867
Operating Lease	9,452	-	4,020
Legal Fees	2,141	10,000	1,236
Other	105,665	54,876	83,188
Employee Benefits - Salaries	874,256	774,304	768,664
Insurance	30,094	21,000	21,595
Service Providers, Contractors and Consultancy	16,201	10,000	4,414
	<u>1,117,702</u>	<u>932,440</u>	<u>951,788</u>

## 6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	3,532	6,000	4,773
Consultancy and Contract Services	152,511	162,000	155,906
Grounds	21,304	24,000	23,745
Heat, Light and Water	184,849	176,000	166,775
Rates	69,030	21,500	35,583
Repairs and Maintenance	205,577	107,580	111,350
Use of Land and Buildings	584,789	450,000	520,755
Security	3,495	3,000	3,069
Employee Benefits - Salaries	149,836	118,993	120,956
	<u>1,374,923</u>	<u>1,069,073</u>	<u>1,142,912</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 nationwide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

## 7. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	811,505	1,165,120	1,088,234
Short-term Bank Deposits	53,080	50,757	50,757
Cash and Cash Equivalents for Statement of Cash Flows	<u>864,585</u>	<u>1,215,877</u>	<u>1,138,991</u>

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

Of the \$864,585 Cash and Cash Equivalents, \$63,563 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings.

Of the \$864,585 Cash and Cash Equivalents, \$118,350 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.

Of the \$864,585 Cash and Cash Equivalents, \$227,842 is held by the School for International Students and Other Revenue in advance. See note 12.

Of the \$864,585 Cash and Cash Equivalents, \$11,381 is held by the School as Funds Held in Trust. See note 14.

## 8. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	49,232	75,830	75,830
Receivables from the Ministry of Education	49,858	-	-
Banking Staffing Underuse	-	21,894	21,894
Teacher Salaries Grant Receivable	583,118	538,541	538,541
	<u>682,208</u>	<u>636,265</u>	<u>636,265</u>
Receivables from Exchange Transactions	49,232	75,830	75,830
Receivables from Non-Exchange Transactions	632,976	560,435	560,435
	<u>682,208</u>	<u>636,265</u>	<u>636,265</u>

## 9. Inventories

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
School Uniforms	131,396	-	-
	<u>131,396</u>	<u>-</u>	<u>-</u>

## 10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2023</b>	<b>142,906</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,137)</b>	<b>118,769</b>
Building Improvements	142,906	-	-	-	(24,137)	118,769
Furniture and Equipment	365,955	109,428	-	-	(93,861)	381,522
Information and Communication Technology	79,253	206,128	-	-	(38,863)	246,518
Motor Vehicles	20,795	-	-	-	(10,068)	10,727
Leased Assets	134,754	25,906	-	-	(74,466)	86,194
Library Resources	4,729	1,557	-	-	(786)	5,500
<b>Balance at 31 December 2023</b>	<u>748,392</u>	<u>343,019</u>	<u>-</u>	<u>-</u>	<u>(242,181)</u>	<u>849,230</u>

The net carrying value of furniture and equipment held under a finance lease is \$86,194 (2022: \$134,754)

### 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 \$
Building Improvements	613,385	(494,616)	118,769	619,866	(476,960)	142,906
Furniture and Equipment	1,487,397	(1,105,875)	381,522	1,658,276	(1,292,321)	365,955
Information and Communication Technology	891,201	(644,683)	246,518	1,317,134	(1,237,881)	79,253
Motor Vehicles	133,114	(122,387)	10,727	180,163	(159,368)	20,795
Leased Assets	186,193	(99,999)	86,194	216,628	(81,874)	134,754
Library Resources	116,293	(110,793)	5,500	114,736	(110,007)	4,729
<b>Balance at 31 December</b>	<u>3,427,583</u>	<u>(2,578,353)</u>	<u>849,230</u>	<u>4,106,803</u>	<u>(3,358,411)</u>	<u>748,392</u>



### 11. Accounts Payable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Creditors	177,695	262,176	262,176
Accruals	179,819	6,100	6,100
Employee Entitlements - Salaries	626,300	557,071	557,071
Employee Entitlements - Leave Accrual	71,898	35,495	35,495
	<u>1,055,712</u>	<u>860,842</u>	<u>860,842</u>
Payables for Exchange Transactions	<u>1,055,712</u>	<u>860,842</u>	<u>860,842</u>
	<u>1,055,712</u>	<u>860,842</u>	<u>860,842</u>

The carrying value of payables approximates their fair value.

### 12. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Grants in Advance - Ministry of Education	118,350	140,276	140,276
International Student Fees in Advance	124,451	59,297	59,297
Other Revenue in Advance	103,391	102,582	102,582
	<u>346,192</u>	<u>302,155</u>	<u>302,155</u>

### 13. 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	65,053	74,986	74,986
Later than One Year and no Later than Five Years	25,638	66,864	66,864
Future Finance Charges	(4,315)	(6,705)	(6,705)
	<u>86,376</u>	<u>135,145</u>	<u>135,145</u>
<b>Represented by:</b>			
Finance lease liability - Current	61,792	70,063	70,063
Finance lease liability - Non-current	24,584	65,082	65,082
	<u>86,376</u>	<u>135,145</u>	<u>135,145</u>

### 14. Funds Held in Trust

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	11,381	40,019	40,019
	<u>11,381</u>	<u>40,019</u>	<u>40,019</u>

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.

## 15. 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.

2023	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
East West Toilets	6,559	-	-	(6,559)	-
Rooms 36-39	(800)	-	-	800	-
Rooms 10/11 Language Hub - 216458	2,533	-	-	(2,533)	-
Tennis Court Canopy - 225557	(7,660)	51,125	(44,008)	543	-
Tech Block H&S - 230192	2,393	-	-	(2,393)	-
Fire System, Doors & Fire Walls - 231799	312	-	-	(312)	-
Security System	(8,776)	-	-	8,776	-
Block A Deans & Guidance - 238533	12,783	179	(12,386)	(576)	-
Boundary Fence St Marys - 238724	25,924	2,952	(28,876)	-	-
Wharenui Prototype Refurb - 239900	59,674	-	(74,571)	-	(14,897)
Plumbing Upgrade - 244240	-	39,600	(3,096)	-	36,504
Electrical Upgrade - 242828	-	39,600	(14,934)	-	24,666
<b>Totals</b>	<b>92,942</b>	<b>133,456</b>	<b>(177,871)</b>	<b>(2,254)</b>	<b>46,273</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	61,170
Funds Receivable from the Ministry of Education	(14,897)

2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
East West Toilets	6,559	-	-	-	6,559
Rooms 36-39	(800)	-	-	-	(800)
Rooms 10/11 Language Hub - 216458	(15,704)	30,764	(12,527)	-	2,533
Tennis Court Canopy - 225557	71,292	110,000	(188,952)	-	(7,660)
Tech Block H&S - 230192	34,944	15,577	(48,128)	-	2,393
Fire System, Doors & Fire Walls - 231799	196	116	-	-	312
Security System	-	-	(8,776)	-	(8,776)
Block A Deans & Guidance	-	21,560	(8,777)	-	12,783
Boundary Fence St Marys - 238724	-	27,700	(1,776)	-	25,924
Wharenui Prototype Refurb - 239900	-	83,381	(23,707)	-	59,674
<b>Totals</b>	<b>96,487</b>	<b>289,098</b>	<b>(292,643)</b>	<b>-</b>	<b>92,942</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	110,178
Funds Receivable from the Ministry of Education	(17,236)

## 16. Funds Held on Behalf of the Alternative Education Cluster

Marlborough Boys' College was the lead school and held funds on behalf of the Alternative Education cluster, a group of schools funded by the Ministry of Education to share professional support. The lead school from 2023 is Marlborough Girls' College.

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	-	-	173,358
Funds Received from Cluster Members	-	-	-
Funds Received from Ministry of Education	-	-	160,950
Funds Spent on Behalf of the Cluster	-	-	(334,308)
<b>Funds Held at Year End</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 17. Related Party Transactions

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

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

## 18. Remuneration

### Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy and Associate Principals.

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
<i>Board Members</i>		
Remuneration	165	-
<i>Leadership Team</i>		
Remuneration	738,553	785,045
Full-time equivalent members	5.00	6.00
Total key management personnel remuneration	<u>738,718</u>	<u>785,045</u>

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

	<b>2023 Actual \$000</b>	<b>2022 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	200 - 210	170 - 180
Benefits and Other Emoluments	0 - 10	0 - 10
Termination Benefits	0 - 0	0 - 0

### Other Employees

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

<b>Remuneration \$000</b>	<b>2023 FTE Number</b>	<b>2022 FTE Number</b>
100 - 110	12.00	9.00
110 - 120	13.00	10.00
120 - 130	6.00	2.00
130 - 140	2.00	-
	<u>33.00</u>	<u>21.00</u>

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

## 19. 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 the number of persons to whom all or part of that total was payable was as follows:

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
Total	-	-
Number of People	-	-

## 20. Contingencies

There are no contingent liabilities and no contingent assets except as noted below 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.

## 21. Commitments

### (a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$63,563 (2022:\$92,942) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Tech Block H&S - 230192	88,837	86,444	2,393
Plumbing Upgrade - 244240	39,600	3,096	36,504
Electrical Upgrade - 242828	39,600	14,934	24,666
<b>Total</b>	<b>168,037</b>	<b>104,474</b>	<b>63,563</b>

### (b) Operating Commitments

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

(Operating commitments at 31 December 2022: nil)

## 22. 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	864,585	1,215,877	1,138,991
Receivables	682,208	636,265	636,265
Total Financial assets measured at amortised cost	<u>1,546,793</u>	<u>1,852,142</u>	<u>1,775,256</u>

### Financial liabilities measured at amortised cost

Payables	1,055,712	860,842	860,842
Finance Leases	86,376	135,145	135,145
Total Financial liabilities measured at amortised Cost	<u>1,142,088</u>	<u>995,987</u>	<u>995,987</u>

### **23. Events After Balance Date**

Except as disclosed at Note 25, there were no significant events after the balance date that impact these financial statements.

### **24. Comparatives**

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

### **25. Marlborough Boys' College Site**

In November 2015, the Minister of Education announced a plan for the Marlborough Girls' and Marlborough Boys' Colleges to move to a new shared site with separate, co-located schools. On 5 December 2018 the Minister of Education announced that Marlborough Girls' and Marlborough Boys' Colleges will be co-located on the sites currently occupied by Marlborough Girls' College and Bohally Intermediate. Master planning began in 2021.

In March 2024 the Minister of Education announced that the co-location project would not go ahead after the estimated cost grew from \$170m to \$405m and that the School will remain on the current site.

The Board has an obligation to the Ministry of Education to maintain in good order and repair the land and buildings that constitute the School site. Due to significant uncertainty about the future costs of cyclical maintenance, which has not been quantified at this time, the Board has not recorded a provision for the cyclical maintenance. This is a departure from PBE IPSAS 19: Provisions, contingent assets and contingent liabilities. The financial effect of the departure from PBE IPSAS 19 has not been calculated.

### **26. Annual Reporting Deadline**

The Board of Trustees did not comply with section 135 of the Education and Training Act 2020 in that the Board did not report by 31 May 2024, the date fixed by the Ministry of Education, by which schools were required to have sent their financial statements to the Ministry of Education.

### **27. Potentially Controlled Entity: Marlborough Boys College Rowing Club**

In accordance with PBE IPSAS 35 Consolidated Financial Statements it is possible that the related entity known as Marlborough Boys College Rowing Club could be determined to be a controlled entity of Marlborough Boys College for financial reporting purposes which would require consolidation of the entity into the School's financial statements. The entity has not been consolidated into the School's financial statements for the year ended 31 December 2023 because the determination of control is complex and judgement and an assessment and determination of control has not been made at the date of authorising these financial statements.