

Blind and Low Vision Education Network NZ

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 4156

Principal: Karen Stobbs

School Address: 2 McVilly Road, Manurewa

School Postal Address: Private Bag 801, Manurewa, Auckland, 2243

School Phone: 09 266 7109

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Members of the Board

Name	Position	How Position Gained	Term Expired/Expires
Christopher Gunn	Presiding Member	Elected	Sep-25
Karen Stobbs	Principal	Appointed	
Ross Meikle	Parent Rep	Elected	Dec-23
Kevin Manson	Other	Selected	Dec-23
John Mulka	Other	Appointed	Sep-25
Nigel Ngahiwi	Other	Appointed	Dec-23
Pauline Melham	Other	Appointed	Dec-23
David Cullen	Parent Rep	Elected	Sep-25
Tracey O'Sullivan	Staff Rep	Elected	Sep-25
Justine Edwards	Other	Selected	Sep-25

Blind and Low Vision Education Network NZ

Annual Financial Statements - For the year ending 31 December 2023

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Blind and Low Vision Education Network NZ

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.

Christopher Gunn
Full Name of Presiding Member



Signature of Presiding Member

31-May-24
Date:

Karen E Stobbs
Full Name of Principal



Signature of Principal

31-May-24
Date:

Blind and Low Vision Education Network NZ
Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue				
Government Grants	2	27,093,418	23,783,107	23,938,083
Locally Raised Funds	3	192,704	169,850	207,424
Interest Income		521,591	90,000	170,479
Gain on sale of Property, Plant and Equipment		-	-	235
Other Revenue		497	-	20,000
Total Revenue		27,808,210	24,042,957	24,336,221
Expense				
Locally Raised Funds	3	119,294	122,850	107,429
Learning Resources	4-8	21,244,229	20,358,217	18,382,375
Administration	9	1,415,211	1,515,307	1,398,084
Property	10	3,128,639	2,306,644	2,182,615
Finance Costs		14,478	630	14,752
Depreciation	15	713,410	809,000	629,498
Loss on Disposal of Property, Plant and Equipment		12,911	-	8,986
Total Expense		26,648,172	25,112,648	22,723,739
Net Surplus / (Deficit) for the year		1,160,038	(1,069,691)	1,612,482
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the year		1,160,038	(1,069,691)	1,612,482

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

Blind and Low Vision Education Network NZ
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	18,136,012	18,136,012	16,267,180
Total comprehensive revenue and expenses for the year	1,160,038	(1,069,691)	1,612,482
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment grant	112,838	-	256,350
Equity at 31 December	19,408,888	17,066,321	18,136,012
Accumulated comprehensive revenue and expense Reserves	19,408,888	17,066,321	18,136,012
Restricted Equity at start of the year	613,707	616,207	616,207
Transfer Homai Special Funds	(6,300)	(2,500)	(2,500)
Restricted Equity at the end of the year	607,407	613,707	613,707
Equity at 31 December	20,016,295	17,680,028	18,749,719

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.

Blind and Low Vision Education Network NZ
Statement of Financial Position
As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and cash equivalents	11	206,260	2,159,441	285,191
Accounts receivable	12	2,089,334	1,812,210	1,812,210
GST Receivable		160,141	155,747	155,747
Prepayments		190,787	140,600	140,600
Inventories	13	3,557	3,595	3,595
Investments	14	10,616,485	6,090,750	9,090,750
Funds Receivable for Capital Works Projects	20	33,280	-	29,946
		<u>13,299,844</u>	<u>10,362,343</u>	<u>11,518,039</u>
Current Liabilities				
Accounts payable	16	1,938,480	1,421,694	1,421,694
Revenue received in advance	17	104,234	68,497	68,497
Provision for Cyclical Maintenance	18	94,308	38,001	94,632
Finance Lease liability	19	77,370	77,572	77,572
Funds held for Capital Works Projects	20	-	-	61,596
		<u>2,214,392</u>	<u>1,605,764</u>	<u>1,723,991</u>
Working Capital Surplus or (Deficit)		11,085,452	8,756,579	9,794,048
Non-current Assets				
Property, Plant and Equipment	15	9,040,107	9,009,288	9,063,700
		<u>9,040,107</u>	<u>9,009,288</u>	<u>9,063,700</u>
Non-current Liabilities				
Finance Lease Liability	19	65,708	85,839	85,839
Provision for Cyclical Maintenance	18	43,556	-	22,190
		<u>109,264</u>	<u>85,839</u>	<u>108,029</u>
Net Assets		<u><u>20,016,295</u></u>	<u><u>17,680,028</u></u>	<u><u>18,749,719</u></u>
Equity		<u><u>20,016,295</u></u>	<u><u>17,680,028</u></u>	<u><u>18,749,719</u></u>

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

Blind and Low Vision Education Network NZ
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		11,183,312	9,862,692	9,557,243
Locally Raised Funds		384,944	169,850	(17,337)
Goods and Services Tax (net)		(4,394)	-	105,252
Payments to Employees		(4,772,259)	(5,219,076)	(4,283,438)
Payments to Suppliers		(5,135,044)	(4,737,822)	(3,624,450)
Interest Paid		(14,478)	(630)	(14,752)
Interest Received		335,713	90,000	98,483
Net cash from /(to) Operating Activities		1,977,794	165,014	1,821,001
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(617,400)	-	(1,922,805)
Proceeds from Sale of Investments		(1,525,735)	-	(1,562,718)
Net cash from /(to) Investing Activities		(2,143,135)	-	(3,485,523)
Cash flows from Financing Activities				
Furniture and Equipment Grant		112,838	-	256,350
Funds Administered on Behalf of Third Parties		33,280	-	40,925
Finance Lease Payments		(59,708)	-	(59,593)
		86,410	-	237,682
Net increase/(decrease) in cash and cash equivalents		(78,931)	165,014	(1,426,840)
Cash and cash equivalents at the beginning of the year	11	285,191	1,994,427	1,712,031
Cash and cash equivalents at the end of the year	11	206,260	2,159,441	285,191

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.

Blind and Low Vision Education Network NZ

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 18.

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 15.

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 14. Future operating lease commitments are disclosed in note 20b.

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.

c) Revenue Recognition

Government Grants

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

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

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

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

The property from which the School operates is owned by the 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 released to revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

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

Interest Revenue

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

d) 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.

e) 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.

f) 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.

g) Accounts Receivable

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

h) Inventories

Inventories are consumable items held for sale and are comprised of assessment stock. 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.

i) 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.

j) 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	5-40 years
Furniture and Equipment	3-33 years
Information and Communication Technology	3-15 years
Motor Vehicles	6 years
Textbooks	3 years
Library Resources	12.5% Diminishing Value
Swimming Pool	40 years
Leased assets held under a Finance Lease	Term of Lease

k) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

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

l) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

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

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on a comparison to recent market transactions.

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

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

m) 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.

n) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

o) 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 are recorded as revenue as the obligations are fulfilled and the fees or grants 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.

p) 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.

q) 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.

r) 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. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTL programme), all income and expenditure related to the provision of the service is 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.

s) Provision for Cyclical Maintenance

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

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

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

t) 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.

u) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

v) 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.

w) Budget Figures

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

x) 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 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Operational grants	2,080,319	1,098,533	1,244,333
MOE Residential grant	1,749,418	1,749,418	1,702,598
MOE Resource Teachers of Vision Impairment grant	1,313,864	1,549,197	1,507,736
MOE Vision & Sensory Resource Centre grant	912,637	912,628	885,605
MOE Teachers salaries grant	14,095,366	12,500,000	12,873,789
Special Education Grants/ORS	1,143,200	1,146,654	1,084,396
MOE Document of Accountability Board Support	16,984	17,065	16,529
MOE Document of Accountability Assessment/Training	638,272	638,273	621,188
Regional Specialist Services	1,295,678	1,293,055	1,108,329
Use of land and buildings grant	2,193,217	1,420,415	1,633,477
MOE - Other	1,654,463	1,457,869	1,260,103
	<u>27,093,418</u>	<u>23,783,107</u>	<u>23,938,083</u>

3 Locally Raised Funds

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
<i>Revenue</i>			
Donations & Bequests	100	-	300
Fundraising & Community Grants	18,798	21,000	12,701
Fees for Extra Curricular Activities	20,726	26,000	9,652
Trading	153,080	122,850	184,771
	<u>192,704</u>	<u>169,850</u>	<u>207,424</u>
<i>Expense</i>			
Fundraising and Community Grant Costs	3,655	-	7,649
Activities	115,639	122,850	99,780
	<u>119,294</u>	<u>122,850</u>	<u>107,429</u>
<i>Surplus/(Deficit) for the year Locally Raised Funds</i>	<u>73,410</u>	<u>47,000</u>	<u>99,995</u>

4 Learning Resources - Day School

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	282,583	286,180	47,921
Equipment repairs	6,567	8,000	4,626
Employee benefits - salaries	13,833,011	12,689,176	12,497,749
Staff development	22,623	30,000	16,703
	<u>14,144,784</u>	<u>13,013,356</u>	<u>12,566,999</u>

5 Learning Resources - ORS

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	388,184	463,297	275,397
Equipment repairs	217	1,500	265
Employee benefits - salaries	758,099	732,967	705,241
Staff development	-	2,000	-
	<u>1,146,500</u>	<u>1,199,764</u>	<u>980,903</u>

6 Learning Resources - Residential

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	356,885	288,530	278,693
Equipment repairs	2,608	4,000	5,291
Employee benefits - salaries	931,101	931,301	759,335
Staff development	24,738	18,200	21,357
	<hr/> 1,315,332	<hr/> 1,242,031	<hr/> 1,064,676

7 Learning Resources - National Services

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	1,601,941	1,730,995	1,318,929
Equipment repairs	6,497	7,700	5,680
Employee benefits - salaries	2,479,427	2,636,878	1,989,063
Staff development	528,716	519,393	442,013
	<hr/> 4,616,581	<hr/> 4,894,966	<hr/> 3,755,685

8 Learning Resources - Vision Resource Centres

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Curricular	1,391	7,700	2,336
Employee benefits - salaries	(2)	-	4,833
Staff development	19,643	400	6,943
	<hr/> 21,032	<hr/> 8,100	<hr/> 14,112

9 Administration

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Audit Fees	11,927	11,927	11,580
Board of Trustees fees	6,000	12,000	5,960
Board of Trustees expenses	55,038	40,250	74,518
Communication	632,221	672,410	538,598
Consumables	10,214	7,000	7,000
Operating Leases	4,598	4,000	6,295
Legal Fees	3,651	2,000	21,136
Other	72,556	159,090	159,485
Employee benefits - salaries	553,204	545,804	523,981
Insurance	22,208	20,063	7,820
Service Providers, Contractors, and Consultancy	43,594	40,763	41,711
	<hr/> 1,415,211	<hr/> 1,515,307	<hr/> 1,398,084

10 Property

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	168,387	164,750	66,546
Cyclical Maintenance Expense	102,542	23,229	55,377
Grounds	20,075	20,000	7,537
Heat, Light and Water	203,302	206,300	142,401
Rates	38,879	21,000	12,729
Repairs and Maintenance	193,196	258,500	93,401
Use of Land and Buildings	2,193,217	1,420,415	1,633,477
Security	12,179	9,500	10,513
Employee Benefits - Salaries	196,862	182,950	160,410
Property Rental	-	-	224
	<u>3,128,639</u>	<u>2,306,644</u>	<u>2,182,615</u>

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

11 Cash and Cash Equivalents

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Bank Accounts	206,260	2,159,441	285,191
Short-term Bank Deposits	-	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>206,260</u>	<u>2,159,441</u>	<u>285,191</u>

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

Of the \$10,822,745 in the School's funds (including Cash and Cash Equivalents and Investments), \$607,407 is held on behalf of Homai Special Funds (2022: \$613,707)

12 Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Receivables	187,336	150,007	150,007
Receivables from the Ministry of Education	8,204	5,434	5,434
Interest accrued	273,538	87,660	87,660
Staffing Banking underuse	415,599	488,263	488,263
Teacher salaries grant	<u>1,204,657</u>	<u>1,080,846</u>	<u>1,080,846</u>
	<u>2,089,334</u>	<u>1,812,210</u>	<u>1,812,210</u>
Receivables from Exchange transactions	273,538	87,660	87,660
Receivables from non-exchange transactions	<u>1,815,796</u>	<u>1,724,550</u>	<u>1,724,550</u>
	<u>2,089,334</u>	<u>1,812,210</u>	<u>1,812,210</u>

13 Inventories

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Assessment Stock	3,557	3,595	3,595
	<u>3,557</u>	<u>3,595</u>	<u>3,595</u>

14 Investments

The school's investment activities are classified as follows

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Current Assets			
Short-term Bank Deposits	10,616,485	6,090,750	9,090,750
Total Investments	<u>10,616,485</u>	<u>6,090,750</u>	<u>9,090,750</u>

15 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building improvements	1,087,726	65,758	-	-	(82,736)	1,070,748
Furniture and equipment	1,179,659	375,685	(5,121)	-	(198,437)	1,351,786
Information and communication technology	569,919	125,918	(7,790)	-	(187,823)	500,224
Leased assets	146,073	67,866	-	-	(88,368)	125,571
Motor Vehicles	10,238	-	-	-	(704)	9,534
Swimming Pool Development	6,070,085	67,306	-	-	(155,318)	5,982,073
Library Books	-	195	-	-	(24)	171
Balance at 31 December 2023	9,063,700	702,728	(12,911)	-	(713,410)	9,040,107

	2023 Cost or Valuation	2023 Accumulated Depreciation	2023 Net Book Value	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value
	\$	\$	\$	\$	\$	\$
Building improvements	1,679,288	(608,540)	1,070,748	1,613,530	(525,804)	1,087,726
Furniture and equipment	3,898,025	(2,546,239)	1,351,786	3,657,941	(2,480,217)	1,179,659
Information and communication technology	1,253,423	(753,199)	500,224	1,359,964	(790,045)	569,919
Leased Assets	299,864	(174,293)	125,571	297,301	(151,228)	146,073
Motor Vehicles	3,913	5,621	9,534	3,913	6,325	10,238
Swimming Pool Development	6,212,737	(230,664)	5,982,073	6,145,430	-	6,070,085
Library Books	195	(24)	171	-	-	-
Balance at 31 December	13,347,445	(4,307,338)	9,040,107	13,078,079	(3,939,034)	9,063,700

The net carrying value of equipment held under a finance lease is \$125,571 (2022: \$146,073)

Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

16 Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	289,824	195,872	195,872
Accruals	137,963	8,580	8,580
Employee benefits - salaries	1,377,043	1,080,846	1,080,846
Employee benefits - leave accrual	133,650	136,396	136,396
	1,938,480	1,421,694	1,421,694
Payable for exchange transactions	427,787	204,452	204,452
Payables for non-exchange transactions - other	1,510,693	1,217,242	1,217,242
	1,938,480	1,421,694	1,421,694

The carrying value of payables approximates their fair value.

17 Revenue received in advance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Other revenue in Advance	104,234	68,497	68,496
	<u>104,234</u>	<u>68,497</u>	<u>68,496</u>

18 Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Provision at the Start of the Year	116,822	14,772	200,595
Increase to the Provision During the Year	32,471	23,229	28,503
Use of the Provision During the Year	(81,500)	-	(139,150)
Other Adjustments	70,071	-	26,874
Provision at the end of the year	<u>137,864</u>	<u>38,001</u>	<u>116,822</u>
Cyclical maintenance - Current	94,308	38,001	94,632
Cyclical maintenance - Non current	43,556	-	22,190
	<u>137,864</u>	<u>38,001</u>	<u>116,822</u>

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

19 Finance Lease Liability

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
No Later than One Year	87,343	77,572	89,194
Later than One Year and no Later than Five Years	71,127	85,839	94,352
Future Finance Charges	(15,392)	-	(20,135)
	<u>143,078</u>	<u>163,411</u>	<u>163,411</u>
Represented by			
Finance lease liability - Current	77,370	77,572	77,572
Finance lease liability - Non current	65,708	85,839	85,839
	<u>143,078</u>	<u>163,411</u>	<u>163,411</u>

20 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 11.

2023	Project No.	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$		\$
SIP - Titoki Upgrade	229492	(18,000)	-	(3,334)	-	(21,334)
AVRC Fire Remediation		(11,946)	-	-	-	(11,946)
Scott Point Playground		61,596	-	(132,606)	71,010	-
Totals		31,650	-	(135,940)	71,010	(33,280)

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	(33,280)
	<u>(33,280)</u>

2022	Project No.	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$		\$
SIP - Titoki Upgrade	229492	(9,275)	162,000	(389,164)	218,439	(18,000)
AVRC Fire Remediation		-	-	(11,946)	-	(11,946)
Scott Point Playground		-	150,000	(88,404)	-	61,596
Totals		(9,275)	312,000	(489,514)	218,439	31,650

Represented by:

Funds Held on Behalf of the Ministry of Education	61,596
Funds Receivable from the Ministry of Education	(29,946)
	<u>31,650</u>

21 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 conditions 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.

22 Remuneration

Key management personnel compensation

Key management personnel of the school include all board members, Principal, Deputy Principals and Heads of Departments

	2023	2022
	Actual	Actual
	\$	\$
<i>Board members</i>		
Remuneration	6,000	5,960
<i>Leadership team</i>		
Remuneration	1,462,151	1,550,413
Full-time equivalent members	10.90	12.70
Total key management personnel remuneration	<u>1,468,151</u>	<u>1,556,373</u>

There are 8 members of the Board excluding the Principal. The Board had held 6 full meetings of the Board in the year. The Board also has Finance (3 members) and Property (6 members) that met 6 times. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings.

Principal

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

	2023	2022
	Actual	Actual
	\$000	\$000
<i>Salaries and other short term employee benefits:</i>		
Salary and other payments	200 - 210	180 - 190
Benefits and other emoluments	4 - 5	4 - 5
Termination benefits	-	-

Other Employees

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

Remuneration	2023	2022
\$000	FTE number	FTE number
100-110	61	15
110-120	15	9
120-130	6	-
130-140	2	1
140-150	1	-
	<u>85</u>	<u>25</u>

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

23 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 as follows:

	2023	2022
	Actual	Actual
Total value	-	50,000
Number of people	-	1

24 Contingencies

There were no contingent assets or liabilities as at 31 December 2023. (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's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2023, a contingent liability for the school may exist.

25 Commitments

(a) Capital Commitments

At 31 December 2023, the Board had no capital commitments. (2022: \$132,606)

(b) Operating Commitments

There are no operating commitments as at 31 December 2023 (Operating commitments as 31 December 2022: nil)

26 Financial Instruments

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

Financial assets measured at amortised cost

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Cash and cash equivalents	206,260	2,159,441	285,191
Receivables	2,089,334	1,812,210	1,812,210
Investments - Term deposits	10,616,485	6,090,750	9,090,750
Total financial assets measured at amortised cost	<u>12,912,079</u>	<u>10,062,401</u>	<u>11,188,151</u>

Financial liabilities measured at amortised cost

Payables	1,938,480	1,421,694	1,421,694
Finance leases	143,078	163,411	163,411
Total financial liabilities measured at amortised cost	<u>2,081,558</u>	<u>1,585,105</u>	<u>1,585,105</u>

27 Events after balance date

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

Independent Auditor's Report

To the Readers of Blind and Low Vision Education Network NZ's Financial Statements

For the Year Ended 31 December 2023

The Auditor-General is the auditor of Blind and Low Vision Education Network NZ (the School). The Auditor-General has appointed me, Bonita Swanepoel, using the staff and resources of William Buck Audit (NZ) Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 1 to 19, 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 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime.

Our audit was completed on 31 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 arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included in the annual report being pages 1 to 85, the Kiwisport Funding Report and Statement of Compliance with Employment Policy but does not include the financial statements, and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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



Bonita Swanepoel
William Buck Audit (NZ) Limited
On behalf of the Auditor-General
Auckland, New Zealand