

Wa Ora Montessori School

Financial Statements

For the year ended 31 December 2022

Wa Ora Montessori School

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Wa Ora Montessori School

Entity Information

For the year ended 31 December 2022

Legal Name of Entity:	Wa Ora Montessori School Inc
Other Name of Entity (if any):	Wa Ora Montessori Preschool
Type of Entity and Legal Basis (if any):	Incorporated Society
Registration Number:	392393

Entity's Purpose or Mission:

1. Provide an environment that supports children's physical, moral, social, emotional and intellectual development, so they can be the best they can be, believing in their intrinsic worth and having a positive influence on the world. 2. Support the worldwide Montessori movement by influencing the external environment so that people and institutions are receptive to, supportive of and embracing of Montessori concepts.

Entity Structure:

The Entity is an Incorporated Society that we call The Council.

The centre has 85 children ages 3-6, 10 support staff, 11 teachers and 6 administrators.

The Council is run by 9 elected Board who appoint a principal to oversee the day to day running and ensure policies are followed.

Main Sources of the Entity's Cash and Resources:

Wa Ora Montessori School Inc receives grants from the Ministry of Education in the form of:

- Early Childhood 20 Hours funding
- Early childhood subsidy
- Policy 1 money for the maintenance of the property used by the state integrated Area School

Wa Ora Montessori School Inc also receives fees revenue mainly from children attending the pre-school or requiring before or after school care.

Wa Ora Montessori School Inc also receives donations from the Wa Ora Montessori School Trust.

Main Methods Used by the Entity to Raise Funds:

The majority of our funds are gained through the provision of grants for the running of the preschool and for the area school property.

In addition we receive funds from parents paying fees to attend the school, and from the Wa Ora Montessori School Trust who give funds to support teacher training and building programmes.

Entity's Reliance on Volunteers and Donated Goods or Services:

The Council relies on volunteers to take up positions on the Board to oversee the governance aspect of the school, but for everything else, while donations of service or goods are gratefully accepted, they are not relied on.

Wa Ora Montessori School

Statement of Service Performance For the year ended 31 December 2022

Description of Entity's Outcomes:

Delivered a programme for 100 children aged 3-6

Supported professional development of teachers in Montessori philosophy through training and Professional Development.

Maintained the buildings for the Preschool

Developed plans for ongoing development of buildings in the Area School

Reviewed the bi-cultural practices of our pre-school

Description and Quantification (to the extent practicable) of the Entity's Outputs:	2022	2021
Staff professional development	\$43,095	\$44,281
Kawakawa toilet/kitchen building development	\$6,714	\$0

Wa Ora Montessori School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 \$	2021 \$
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
Government Grants		1,401,294	1,285,509
Donations		347,424	64,549
Total revenue from non-exchange transactions	4	1,748,718	1,350,058
REVENUE FROM EXCHANGE TRANSACTIONS			
Locally Raised Funds		337,027	357,991
Other Income		16,743	4,304
Interest Received		5,574	637
Use of Land and Buildings Income		198,971	208,750
Total revenue from exchange transactions	5	558,315	571,683
TOTAL REVENUE		2,307,033	1,921,741
EXPENSES			
Administration	6	357,495	329,268
Audit Fees		5,740	5,496
Learning Resources	7	1,138,017	1,047,208
Property	8	117,150	192,108
Use of Land and Buildings Expenses		198,971	208,750
Depreciation, amortisation and impairment expenses		364,277	351,027
TOTAL EXPENSES		2,181,650	2,133,857
SURPLUS/ (DEFICIT) FOR THE YEAR		125,384	- 212,116

Signed on behalf of Wa Ora Montessori School who authorised these financial statements for issue on 6 November 2023


Presiding Member

Ike Tapine

06.11.2023


Principal

6/11/23

Wa Ora Montessori School

Statement of Financial Position For the year ended 31 December 2022

	Notes	2022 \$	2021 \$
ASSETS			
Current			
Cash and cash equivalents	9	987,814	856,499
Receivables from exchange transactions	10	64,025	55,186
Prepayments		12,478	3,222
Total current assets		1,064,317	914,908
Non-current			
Property, plant and equipment	11	5,372,568	5,713,001
Work in progress		91,500	17,415
Total non-current assets		5,464,068	5,730,415
TOTAL ASSETS		6,528,385	6,645,323
LIABILITIES			
Current			
Payables under exchange transactions	12	213,176	55,236
GST Payable		23,244	56,316
Loans and borrowings	15	496,330	165,000
Income received in advance		76,084	91,574
Total Current Liabilities		808,834	368,126
Non-current			
Loans and borrowings		-	676,330
Bonds	12	49,300	56,000
Total non-current liabilities		49,300	732,330
TOTAL LIABILITIES		858,134	1,100,456
NET ASSETS		5,670,251	5,544,867
EQUITY			
Reserves			
Accumulated funds		5,670,251	5,544,867
TOTAL EQUITY		5,670,251	5,544,867

WA ORA MONTESSORI SCHOOL

Statement of Changes in Net Assets

For the year ended 31 December 2022

	2022 Actual \$	2021 Actual \$
Balance at 1 January 2022	5,544,867	5,756,983
Surplus/ (deficit) for the year	125,384	(212,116)
Equity at 31 December 2022	5,670,251	5,544,867
Retained Earnings	5,670,251	5,544,867
Reserves	-	-
Equity at 31 December 2022	5,670,251	5,544,867

Wa Ora Montessori School

Statement of Cash Flows

For the year ended 31 December 2022

	Notes	2022 \$	2021 \$
Cash flow from operating activities			
<u>Receipts</u>			
Government grants		1,387,141	1,306,311
Donations		347,424	64,329
Locally raised funds		343,592	399,973
Interest received		5,574	637
<u>Payments</u>			
Payments to suppliers and employees		(1,455,336)	(1,551,048)
Goods and services tax (net)		(33,073)	7,368
Funds administered on behalf of third parties		(3,477)	(37,156)
Net cash from/(used in) operating activities		591,845	190,414
Cash flow from investing activities			
Sale of property, plant and equipment			
Purchase of property, plant and equipment		(97,927)	(33,982)
Net cash from/(used in) investing activities		(97,927)	(33,982)
Cash flow from financing activities			
<i>Cash was provided from/(applied to):</i>			
Proceeds from borrowings		-	841,330
Repayment of borrowings		(345,000)	(871,300)
Interest paid on borrowings		(21,403)	(22,869)
Repayment of bonds		3,800	(62,000)
Net cash from/(used in) financing activities		(362,603)	(114,839)
Net increase/(decrease) in cash and cash equivalents			
Net increase/(decrease) in cash and cash equivalents		131,315	41,593
Cash and cash equivalents at 1 January		856,499	814,906
Cash and cash equivalents at end of the year		987,814	856,499

Wa Ora Montessori School

Notes to the financial statements For the year ended 31 December 2022

Statement of Accounting policies

1 Reporting entity

These financial statements comprise the financial statements of Wa Ora Montessori School Incorporated Society (the "council") for the year ended 31 December 2022.

The council is domiciled in New Zealand and is a charitable organisation governed by the Education (Update) Amendment Act 2017 and registered under the Charities Act 2005.

The council's financial statements and accompanying notes summarise the financial results of activities.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (NZ IPSAS with RDR) and other applicable Financial Reporting Standards as appropriate to Public Benefit Entities.

The council has elected to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and annual expenditure does not exceed \$30 million.

The council is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

(b) Basis of measurement

The financial statements have been prepared on a historical costs basis.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

(c) Presentation currency

The financial statements are presented in New Zealand dollars which is the council's functional currency.

All numbers are rounded to the nearest dollar.

(d) Comparatives

The comparative financial period is 12 months. Comparatives have been reclassified from that reported in the 31 December 2022 financial statements where appropriate to ensure consistency with the presentation of the current year's position and performance.

The net asset position and net surplus or deficit reported in comparatives is consistent with previously authorised financial statements.

3 Summary of significant accounting policies

The accounting policies of the council have been applied consistently to all years presented in these financial statements.

The significant accounting policies used in the preparation of these financial statements are summarised below:

(a) Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

(b) Accounts Receivable

Accounts Receivable represents items that the School has issued invoices for, but has not received payment for at year end. They are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A provision for impairment of Accounts Receivable is established where there is objective evidence that the School will not be able to collect all amounts due according to the original terms of the debt.

(c) 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 the cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

(d) Property, plant and equipment

Land and buildings, any item of property, plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Wa Ora Montessori School

Notes to the financial statements For the year ended 31 December 2022

Statement of Accounting policies

Additions and subsequent costs

Subsequent costs and the cost replacing part of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the acquisition date.

All repairs and maintenance expenditure is charged to surplus or deficit in the year in which the expense is incurred.

Disposals

A item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal.

When an item of property, plant or equipment is disposed of, the gain or loss recognised in the surplus or deficit is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is reclassified to accumulated funds.

Depreciation

Property, Plant and Equipment are shown at cost less accumulated depreciation. Depreciation is charged so as to spread the cost of an asset over the useful life of the asset on a straight line basis. Individual values under \$500 are not capitalised, they are recognised as an expense in the statement of Financial Performance. The estimated useful lives of the assets are:

Buildings and Land improvements	20 years
Office Furniture and equipment	5 years
Classroom Furniture	5 years
Information and communication technology	4 years
Library Book and Resources	8 years
Neinhus Equipment	10 years

(e) Leased assets

Leases where the council assumes substantially all the risks and rewards incidental to ownership of the leased assets, are classified as finance leases. All other leases are classified as operating leases.

Payments made under operating leases are recognised in the surplus or deficit on a straight-line basis over the term of the lease. Associated costs, such as maintenance and insurance, are expensed as incurred.

(f) Financial instruments

Financial assets and financial liabilities are recognised in Wa Ora Montessori School Inc's statement of financial position when Wa Ora Montessori School Inc becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities initially measured at fair value subsequently measured at amortised cost, using the effective interest method. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

After initial recognition, cash and cash equivalents, term deposits are financial assets measured at amortised costs. Wa Ora Montessori School Inc derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial liabilities are measured subsequently at amortised cost using the effective interest method. Financial liabilities measured at amortised costs include accounts and loan payable. Wa Ora Montessori School Inc derecognises financial liabilities when, and only when the obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Wa Ora Montessori School

Notes to the financial statements For the year ended 31 December 2022

Statement of Accounting policies

(h) Provisions

A provision is recognised for a liability when the settlement amount or timing is uncertain; when there is a present legal or constructive obligation as a result of a past event; it is probable that expenditures will be required to settle the obligation; and a reliable estimate of

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material. The increase in the provision due to the passage of time is recognised as an interest expense.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

(i) Employee Entitlements - Salary Accruals

Salary accruals mainly reflect annual leave owing to teachers and ancillary staff and are recognised in respect of employees' services to balance date and are measured at the amounts expected to be paid when the liabilities are settled.

(j) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the council and revenue can be reliably measured.

The council assess its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the portion of revenue earned on the council's own account is recognised as gross revenue in the Statement of Financial Performance.

The following specific recognition criteria must be met before revenue is recognised:

Government Grant

Operational grants are recorded as revenue as received. Other grants are recognised as revenue as received unless there are unfulfilled conditions attaching 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 and grants

Donations are recognised as revenue when received and all associated obligations have been met.

Restricted Funding

When donation funding has been provided for specific future investment purposes or to meet specific future costs of the council, the initial donation received is recognised as income in the reported surplus or deficit and then transferred in the Statement of Movements in Equity from Accumulated Funds to a separate "Restricted Funds" equity reserve. This treatment recognises that restricted funding received is preserved in investments and can only be used for fund the specific future costs of the council.

Interest income

Interest income is recognised as it accrues, using the effective interest method.

Donated services

The operations of the entity is reliant on services provided by volunteers. Volunteer services received are not recognised as revenue or expenditure.

(k) Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The entity would not normally capitalise borrowing costs directly attributable to the acquisition, construction or production of assets but this could occur to reflect fair value of the debt. Borrowing costs associated to the purchase of land are not capitalised.

(l) Income tax

Due to its charitable status, the council is exempt from income tax.

(m) Goods and Services Tax (GST)

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

(n) Changes in Accounting Policies

There were two changes to the initial application of a new, revised, and amended PBE Standards.

(i) PBE IPSAS 41 Financial Instruments effective from 1 January 2022 has been adopted by Wa Ora Montessori School Inc.

PBE IPSAS 41 introduces new recognition and measurement requirements for financial assets and restricts the ability to measure financial assets at amortised cost to only those assets that are held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In addition, measurement of financial assets at fair value through other comprehensive revenue and expense is also restricted. PBE IPSAS 41 had an immaterial impact on the organisation.

(ii) PBE IPSAS 48 Service Performance Reporting effective from 1 April 2022 has been adopted by Wa Ora Montessori School Inc in the current reporting period.

PBE IPSAS 48 requires specific disclosures for the reporting of service performance information which have been provided in the consolidated statement of service performance.

Wa Ora Montessori School

Notes to the financial statements

For the year ended 31 December 2022

4. Revenue from non-exchange transactions

	2022	2021
	\$	\$
Government Grant for ECE	1,027,529	1,069,955
Government Grant for Property Maintenance	362,852	215,124
Other Government Grant	10,913	430
Donations	347,424	64,549
Total Grants and Donations	\$1,748,718	\$1,350,058

5. Revenue from exchange transactions

	2022	2021
	\$	\$
Locally Raised Funds	337,027	357,991
Other Income	16,743	4,304
Interest Received	5,574	637
Use of Land and Buildings Income	198,971	208,750
Total grants and donations	\$558,315	\$571,683

6. Administration Expenses

	2022	2021
	\$	\$
Communication	7,872	5,693
Consumables	25,139	24,877
General Expenses	19,935	28,045
Insurance	117,016	113,982
Admin wages	179,008	150,159
Staff recruitment	3,472	1,053
ACC levies	4,947	3,055
Council Expenses	105	2,405
Total Administration	\$357,495	\$329,268

7. Learning Resources

	2022	2021
	\$	\$
Teachers salaries and wages	1,054,313	966,942
Teaching development	43,095	44,281
Teaching sources	40,609	35,984
Total Learning Resources	\$1,138,017	\$1,047,208

8. Property Expenses

	2022	2021
	\$	\$
Mortgage Interest	21,403	22,869
Caretaking & Cleaning Consumables	7,710	6,242
Heat, light and water	7,254	5,701
Repairs & maintenance	39,193	109,783
Rates	10,927	8,038
Contract work	30,663	39,475
Total Property Expenses	\$117,150	\$192,108

Wa Ora Montessori School
Notes to the financial statements
For the year ended 31 December 2022

9. Cash and cash equivalents

	2022 \$	2021 \$
Cash at bank and in hands	961,328	625,516
Call deposits	26,486	230,983
Total Cash and cash equivalents	\$987,814	\$856,499

The total amount held as part of Policy One funding is \$918,818 (2021 \$566,251).

10. Receivables from exchange transactions

	2022 \$	2021 \$
Trade debtors	2,361	5,915
Other receivables	61,664	49,271
Total Receivables from exchange transactions	\$64,025	\$55,186

11. Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

	Land	Buildings	Furniture and fixtures	Office equipment	Computers (including software)	Machinery	Heritage assets	Total
2022	\$	\$	\$	\$	\$	\$	\$000	\$
Gross carrying amount								
Opening balance	940,000	7,404,138	106,351	371,638	108,454	19,906	145,444	9,095,931
Additions	-	-	-	18,251	5,243	349	-	23,843
Disposals	-	-	(7,861)	(40,370)	(53,618)	(14,877)	-	(116,726)
Revaluation movements	-	-	-	1,049	(3,897)	-	-	(2,848)
Closing balance	940,000	7,404,138	98,490	350,568	56,182	5,378	145,444	9,000,200
Accumulated depreciation and impairment								
Opening balance	-	2,758,208	95,962	321,057	100,924	17,308	89,472	3,382,931
Depreciation for the year	-	328,747	6,182	16,853	3,484	1,737	7,272	364,275
Impairment charge for the year	-	-	-	-	(2,848)	-	-	(2,848)
Depreciation written back on disposal	-	-	(7,861)	(40,370)	(53,618)	(14,877)	-	(116,726)
Closing balance	-	3,086,955	94,283	297,540	47,942	4,168	96,744	3,627,632
Carrying value	940,000	4,317,183	4,207	53,028	8,240	1,210	48,700	5,372,568

Property, Plant and Equipment (continued)

Movements for each class of property, plant and equipment are as follows:

	Land	Buildings	Furniture and fixtures	Office equipment	Computers (including software)	Machinery	Heritage assets	Total
2021	\$	\$	\$	\$	\$	\$	\$000	\$
Gross carrying amount								
Opening balance	940,000	7,404,138	102,723	358,724	106,740	19,906	145,444	9,077,675
Additions	-	-	3,628	12,914	1,714	-	-	18,256
Disposals	-	-	-	-	-	-	-	-
Revaluation movements	-	-	-	-	-	-	-	-
Closing balance	940,000	7,404,138	106,351	371,638	108,454	19,906	145,444	9,095,931
Accumulated depreciation and impairment								
Opening balance	-	2,440,469	90,507	303,633	98,083	17,012	82,199	3,031,903
Depreciation for the year	-	317,739	5,455	17,424	2,841	296	7,273	351,028
Impairment charge for the year	-	-	-	-	-	-	-	-
Depreciation written back on disposal	-	-	-	-	-	-	-	-
Closing balance	-	2,758,208	95,962	321,057	100,924	17,308	89,472	3,382,931
Carrying value	940,000	4,645,930	10,389	50,581	7,530	2,598	55,972	5,713,001

12. Payables from exchange transactions

	2022 \$	2021 \$
Current		
Trade creditors	159,847	4,694
Accruals	5,666	12,513
Employee entitlement-Salaries	28,602	25,991
Bonds	13,000	2,500
Trust Holding A/c	6,953	10,743
BOT Holding A/c	(893)	(1,206)
Non-Current		
Bonds	49,300	56,000
Total Payables from exchange transactions	\$262,475	\$111,236

Wa Ora Montessori School

Notes to the financial statements

For the year ended 31 December 2022

13. Income received in advance

	2022	2021
	\$	\$
ECE Grants Received in Advance	74,419	89,229
Students Income in Advance	1,666	2,345
Total Income received in advance	\$76,084	\$91,574

14. Key management personnel

Key management personnel of the Incorporated Society include 2 Council parent representatives and the preschool deputy principal, as defined by PBE IPSAS 20 Related Party Disclosures. The 2 Council parent representatives are integrated into the Board meetings and paid meeting fees by Wa Ora Montessori School Board of Trustees.

Preschool Deputy Principal

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

	2022	2021
	\$	\$
Salaries and Other Short-term Employee Benefits:	\$000	\$000
Salary and Other Payments	90-100	90-100
Benefits and Other Emoluments	2.50	2.50
Termination Benefits	-	-

15. Loans and borrowings

	2022	2021
	\$	\$
Current		
Secured bank loan 91-042	75,000	165,000
Secured bank loan 91-041	421,330	
Total current loans and borrowings	496,330	165,000
Non-current		
Secured bank loan 91-041		421,330
Secured bank loan 91-042	-	255,000
Total non-current loans and borrowings	-	676,330
Total loans and borrowings	496,330	841,330

All financial liabilities are classified as financial liabilities and measured at amortised cost.

Current Interest Bearing Debt and Maturity Profile

	Effective Interest Rate	2022	2021
		\$	\$
ASB Bank Limited Term Loan 91-041	3.25%	421,330	421,330
ASB Bank Limited Term Loan 91-042	3.09%	75,000	255,000
Total loans and borrowings		496,330	676,330

Security

All ASB Loans are secured by registered mortgage over the properties at:

- * 175 Rata Street, Naenae, Lower Hutt
- * 278 Waddington Drive, Naenae, Lower Hutt
- * 3/276 Waddington Drive, Naenae, Lower Hutt

The net book value of these properties as included in Property Plant and Equipment at 31 December 2022 was \$4,317,187.

16. Operational Lease

A contract was entered into in 2022 for the use of 2 copiers for 4 years (with costs to be split 25:75 between the Proprietor

Wa Ora Montessori School Notes to the financial statements For the year ended 31 December 2022

17. Financial Instruments

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

	2022 Actual	2021 Actual
Financial assets measured at amortised cost	\$	\$
Cash and Cash Equivalents	987,814	856,499
Receivables	64,025	55,186
Total Financial assets measured at amortised cost	1,051,838	911,686
Financial liabilities measured at amortised cost		
Payables	194,115	43,198
Borrowings - Loans	496,330	841,330
Bonds	62,300	58,500
Income in advance	76,084	91,574
Total Financial Liabilities Measured at Amortised Cost	828,829	1,034,602

18. Related party transactions

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the entity.

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 society would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

The entity has a related party relationship with its Trustees and other key management personnel.

Wa Ora Montessori School Incorporated Society is the Proprietor of Wa Ora Montessori School. The Society operates a current account with the school for inter Board transactions.

Wa Ora Montessori School Board of Trustees is a related party of the Society because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the school. Any services or contributions between the Society and the school have been disclosed appropriately. As a result of the above related party transactions, the amount owed by the school to the Society at 31 December 2022 was \$893 (2021: \$1,206) and the amount owing to the school by the Society at the same date was \$0 (2021: \$0). The use of land and buildings at 31 December 2022 was \$198,971 (2021: \$208,750).

The Society collected Donations on behalf of the school totalling \$642,832 (2021: \$716,083). This service was provided free of charge. The Trust donated \$346,364 to the Society in 2022, and \$60,000 in 2021. As a result of the above related party transactions, the amount owing by the Society to the Trust at 31 December 2022 was \$6,953 (2021: \$10,743) and the amount owing to the Society by the Trust at the same date was \$0 (2021: \$0).

19. Events After Balance Date

There were no significant events after the balance date that impact these financial statements (2021: Nil).