

KORAKONUI SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024



Principal:	Tom Cochrane
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Ministry Number:	1783
Accountant / Service Provider:	Accounting For Schools Ltd



KORAKONUI SCHOOL

Annual Report - For the year ended 31 December 2024

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KORAKONUI SCHOOL

Statement of Responsibility

For the year ended 31 December 2024

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

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

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

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

Julie Stacey
Full Name of Presiding Member

Julie Stacey
Signature of Presiding Member

18 August 2025

Date:

Tom Cochrane
Full Name of Principal

Tom Cochrane
Signature of Principal

18 August 2025

Date:



KORAKONUI SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2024

		2024	2024	2023
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	1,586,115	1,564,761	1,301,786
Locally Raised Funds	3	149,042	47,820	159,190
Interest Received		14,860	7,000	10,147
Other Revenue		12,190	-	5,818
		1,762,207	1,619,581	1,476,941
Expenses				
Locally Raised Funds	3	82,757	14,350	100,827
Learning Resources	4	1,163,273	1,242,163	903,220
Administration	5	116,698	53,253	105,254
Interest Paid		1,286	-	704
Property	6	375,555	308,861	249,547
Loss on Disposal of Property, Plant and Equipment		-	-	6,463
		1,739,569	1,618,627	1,366,015
Net Surplus / (Deficit) for the year		22,638	954	110,926
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		22,638	954	110,926

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

KORAKONUI SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2024

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Equity at 1 January	345,236	346,303	228,803
Total comprehensive revenue and expense for the year	22,638	954	110,926
Contribution - Furniture and Equipment Grant	-	-	7,507
Equity at 31 December	367,874	347,257	345,236
Accumulated comprehensive revenue and expense	367,874	347,257	345,236
Equity at 31 December	367,874	347,257	345,236

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.

KORAKONUI SCHOOL
Statement of Financial Position
As at 31 December 2024

		2024	2024	2023
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Current Assets				
Cash and Cash Equivalents	7	203,520	330,370	230,700
Accounts Receivable	8	104,505	78,876	68,030
GST Receivable		9,182	-	-
Inventories	9	9,585	5,538	5,537
Investments	10	115,915	-	135,815
Transport Cluster	24	20,660	20,660	20,660
Prepayments		8,617	2,867	2,867
		471,984	438,311	463,609
Current Liabilities				
GST Payable		-	10,963	12,029
Accounts Payable	12	166,442	83,629	83,631
Borrowings	13	3,748	-	3,748
Revenue Received in Advance	14	928	2,399	2,399
Provision for Cyclical Maintenance	15	70,262	18,861	18,861
Finance Lease Liability	16	7,342	3,014	3,015
Funds held for Capital Works Projects	17	42,436	67,559	126,711
		291,158	186,425	250,394
Working Capital Surplus/(Deficit)		180,826	251,886	213,215
Non-current Assets				
Property, Plant and Equipment	11	225,841	193,370	206,890
		225,841	193,370	206,890
Non-current Liabilities				
Borrowings	13	2,811	6,559	6,559
Provision for Cyclical Maintenance	15	25,567	82,355	65,027
Finance Lease Liability	16	10,415	9,085	3,283
		38,793	97,999	74,869
Net Assets		367,874	347,257	345,236
Equity		367,874	347,257	345,236

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

KORAKONUI SCHOOL

Statement of Cash Flows

For the year ended 31 December 2024

		2024	2024	2023
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		476,725	458,241	399,575
Locally Raised Funds		156,147	86,152	212,413
Goods and Services Tax (net)		(21,211)	15,963	15,298
Payments to Employees		(267,922)	(246,490)	(222,344)
Payments to Suppliers		(271,581)	(205,528)	(196,362)
Interest Paid		(1,286)	-	(704)
Interest Received		13,920	8,500	9,747
Net cash from / (to) the Operating Activities		84,792	116,838	217,623
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		6,463	-	-
Purchase of PPE (and Intangibles)		(61,771)	6,630	(50,039)
Purchase of Investments		19,900	100,000	(8,487)
Net cash from / (to) the Investing Activities		(35,408)	106,630	(58,526)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	7,507
Finance Lease Payments		11,459	2,099	(5,361)
Loans Received/ Repayment of Loans		(3,748)	(3,741)	(3,748)
Funds Administered on Behalf of Third Parties		-	(4,660)	(771)
Funds Held for Capital Works Projects		(84,275)	67,559	55,330
Net cash from / (to) Financing Activities		(76,564)	61,257	52,957
Net increase/(decrease) in cash and cash equivalents		(27,180)	284,725	212,054
Cash and cash equivalents at the beginning of the year	7	230,700	45,645	18,646
Cash and cash equivalents at the end of the year	7	203,520	330,370	230,700

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 Cash Flow Statement should be read in conjunction with the accompanying notes which form part of these financial statements.



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2024 to 31 December 2024 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$33 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

Cyclical Maintenance Provision

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 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 16. Future operating lease commitments are disclosed in note 22b.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carryforward 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.



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

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

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.



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

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 to buildings owned by the Crown 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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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 to Crown Owned Assets	4-50 years
Furniture and equipment	5-20 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	Life of Leases
Library resources	12.5% DV



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

k) Impairment of property, plant, and equipment

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

Non cash generating assets

Property, plant, and equipment held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised 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.

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.

l) 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.

m) 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.



KORAKONU SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

n) Revenue Received in Advance

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

o) 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 Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

p) 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.

q) 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 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 Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

r) 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 school 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.



KORAKONU SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

s) Financial Instruments

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

The School's financial liabilities comprise accounts payable, 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.

t) 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.

u) 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.

v) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

w) 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.



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

2. Government Grants

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Government Grants - Ministry of Education	476,961	456,842	397,176
Teachers' Salaries Grants	909,523	909,523	735,868
Use of Land and Buildings Grants	198,396	198,396	168,742
Government Grants - Other	1,235	-	-
	<u>1,586,115</u>	<u>1,564,761</u>	<u>1,301,786</u>

3. Locally Raised Funds

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

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Revenue			
Fees for Extra Curricular Activities	29,958	500	35,968
Donations & Bequests	10,765	5,000	1,545
Fundraising & Community Grants	54,551	10,000	73,643
Other Revenue	40,517	32,320	35,276
Trading	13,251	-	12,758
	<u>149,042</u>	<u>47,820</u>	<u>159,190</u>
Expenses			
Extra Curricular Activities Costs	31,389	2,000	48,512
Fundraising and Community Grant Costs	20,112	-	21,234
Other Expenses	6,715	11,000	5,375
Trading	11,657	-	12,799
Other Locally Raised Funds Expenses	12,884	1,350	12,907
	<u>82,757</u>	<u>14,350</u>	<u>100,827</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>66,285</u>	<u>33,470</u>	<u>58,363</u>

4. Learning Resources

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Curricular	40,613	45,200	31,626
Depreciation	36,358	28,000	29,289
Employee Benefits - Salaries	1,070,727	1,147,263	828,083
Information and Communication Technology	3,551	4,000	3,294
Other Learning Resources	-	600	534
Staff Development	12,024	17,100	10,394
	<u>1,163,273</u>	<u>1,242,163</u>	<u>903,220</u>



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

5. Administration

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	8,943	6,503	4,911
Board Fees and Expenses	4,922	8,300	7,553
Employee Benefits - Salaries	79,492	750	71,634
Insurance	1,502	3,500	1,357
Operating Lease	40	1,800	47
Other Administration Expenses	21,274	28,650	16,432
Service Providers, Contractors and Consultancy	525	3,750	3,320
	116,698	53,253	105,254

6. Property

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cyclical Maintenance Expense	64,745	40,700	2,143
Employee Benefits - Salaries	16,439	-	21,191
Heat, Light and Water	17,929	15,495	16,390
Repairs and Maintenance	37,271	14,570	26,073
Use of Land and Buildings	198,396	198,396	168,742
Other Property Expenses	40,775	39,700	15,008
	375,555	308,861	249,547

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.



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

7. Cash and Cash Equivalents

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Bank Accounts	126,914	272,784	16,200
Short-term Bank Deposits	76,606	57,586	214,500
Cash and cash equivalents for the Statement of Cash Flows	203,520	330,370	230,700

Of the \$203,520 Cash and Cash Equivalents, \$42,436 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 2025 on Crown owned school buildings.

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

8. Accounts Receivable

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Receivables	10,246	78,876	7,392
Receivables from the Ministry of Education	2,229	-	-
Interest Receivable	2,425	-	1,485
Teacher Salaries Grant Receivable	89,605	-	59,153
	104,505	78,876	68,030
Receivables from Exchange Transactions	12,671	78,876	8,877
Receivables from Non-Exchange Transactions	91,834	-	59,153
	104,505	78,876	68,030

9. Inventories

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
School Uniforms	8,063	4,538	4,310
Stationery	1,522	1,000	1,227
	9,585	5,538	5,537

10. Investments

The School's investment activities are classified as follows:

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Current Asset			
Short-term Bank Deposits	115,915	-	135,815



KORAKONUI SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2024

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2024	\$	\$	\$	\$	\$	\$
Building Improvements	110,190	1,153	-	-	(7,437)	103,906
Furniture and Equipment	56,051	25,996	-	-	(11,752)	70,295
Information Technology	31,609	9,319	-	-	(9,913)	31,015
Leased Assets	5,000	18,222	-	-	(6,745)	16,477
Library Resources	4,040	619	-	-	(511)	4,148
Balance at 31 December 2024	206,890	55,309	-	-	(36,358)	225,841

The net carrying value of equipment held under a finance lease is \$16,477 (2023: \$5,000).

Restrictions

With the exception of the contractual restrictions related to the above noted finance leases, 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.

	2024 Cost or Valuation	2024 Accumulated Depreciation	2024 Net Book Value	2023 Cost or Valuation	2023 Accumulated Depreciation	2023 Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	210,293	(106,387)	103,906	209,141	(98,950)	110,191
Furniture and Equipment	228,321	(158,026)	70,295	202,327	(146,275)	56,052
Information Technology	58,857	(27,842)	31,015	49,536	(17,928)	31,608
Leased Assets	27,412	(10,935)	16,477	9,190	(4,190)	5,000
Library Resources	59,295	(55,147)	4,148	58,675	(54,635)	4,040
Balance at 31 December	584,178	(358,337)	225,841	528,869	(321,978)	206,891

12. Accounts Payable

	2024 Actual	2024 Budget (Unaudited)	2023 Actual
	\$	\$	\$
Creditors	58,176	83,629	6,124
Accruals	5,053	-	5,220
Employee Entitlements - Salaries	99,332	-	69,304
Employee Entitlements - Leave Accrual	3,881	-	2,981
	166,442	83,629	83,629
 Payables for Exchange Transactions	 166,442	 83,629	 83,629
	166,442	83,629	83,629

The carrying value of payables approximates their fair value.



KORAKONUI SCHOOL
Notes to the Financial Statements
For the year ended 31 December 2024

13. Borrowings

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Loans due in one year	3,748	-	3,748
Due beyond one year	2,811	6,559	6,559
	6,559	6,559	10,307

The School has borrowings at 31 December 2024 of \$6,559. This loan is from the Energy Efficiency & Conservation Authority for the purpose of Energy Saving Schools Programme. The loan is interest free with quarterly repayments of \$937.

14. Revenue Received in Advance

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Grants in Advance - Ministry of Education	-	2,399	2,399
Other Revenue Received in Advance	928	-	-
	928	2,399	2,399

15. Provision for Cyclical Maintenance

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Provision at the Start of the Year	83,888	83,888	81,745
Increase/ (decrease) to the Provision During the Year	29,745	40,700	17,860
Other Adjustments	(17,804)	(23,372)	(15,717)
Provision at the End of the Year	95,829	101,216	83,888
Cyclical Maintenance - Current	70,262	18,861	18,861
Cyclical Maintenance - Non Current	25,567	82,355	65,027
	95,829	101,216	83,888

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 the schools 10 Year Property plan.



KORAKONU SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

16. Finance Lease Liability

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

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
No Later than One Year	8,549	3,014	3,327
Later than One Year and no Later than Five Years	11,139	9,085	3,495
Future Finance Charges	(1,931)	-	(524)
	17,757	12,099	6,298
Represented by			
Finance lease liability - Current	7,342	3,014	3,015
Finance lease liability - Non Current	10,415	9,085	3,283
	17,757	12,099	6,298

17. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

2024		Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution \$	Closing Balances \$
ILE Upgrade to Blocks B, C & E	209412	71,381	102,389	(181,107)	-	-
Heating	240084	3,215	-	-	-	-
LSC Space & Toilet Refurb	236607	48,722	-	(47,087)	-	1,635
Blk A & B Classroom Refurb	242372	776	-	-	-	-
Roofing Project	242363	2,617	-	-	-	-
Water Bore Leak	247860	-	154,227	(113,426)	-	40,801
Totals		126,711	256,616	(341,620)	-	42,436

Represented by:

Funds Held on Behalf of the Ministry of Education	42,436
Funds Due from the Ministry of Education	-
	42,436

2023		Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution \$	Closing Balances \$
ILE Upgrade to Blocks B, C & E	209412	71,381	-	-	-	71,381
Heating	240084	-	5,013	(1,798)	-	3,215
LSC Space & Toilet Refurb	236607	-	250,000	(201,278)	-	48,722
Blk A & B Classroom Refurb	242372	-	33,300	(32,524)	-	776
Roofing Project	242363	-	17,988	(15,371)	-	2,617
Totals		71,381	306,301	(250,971)	-	126,711

Represented by:

Funds Held on Behalf of the Ministry of Education	126,711
Funds Due from the Ministry of Education	-
	126,711



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

18. Related Party Transactions

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

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

The Proprietor of the School (Figure 8 Fencing) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

Stephanie Brown is a member of the Board and is related to Figure 8 Fencing, family-owned and operated business. During the year the School contracted Figure 8 Fencing to supply and install the fence for the School. The total value of all transactions for the year was \$7,058 (2023: \$0) and no amount is outstanding as at balance date (Prior Period: nil). Because this amount is less than \$25,000 for the year the contract does not require Ministry approval under section 103 of the Education Act 1989.

19. Remuneration

Key management personnel compensation

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

	2024 Actual \$	2023 Actual \$
<i>Board Members</i>		
Remuneration	4,922	3,189
<i>Leadership Team</i>		
Remuneration	267,156	247,322
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	272,078	250,511

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



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

Principal

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

	2024 Actual \$000	2023 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	130 - 140
Benefits and Other Emoluments	4 - 5	3 - 4

Other Employees

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

Remuneration \$000	2024 FTE Number	2023 FTE
100 - 120	1	1
110 - 120	1	-
	<u>1</u>	<u>1</u>

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

20. Compensation and Other Benefits Upon Leaving

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

	2024 Actual	2023 Actual
Total	\$0	\$0
Number of People	-	-

21. Contingencies

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

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 and Collective Agreement Funding Wash-up

In 2024 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. At the date of signing the financial statements the School's final entitlement for the year ended 31 December 2024 has not yet been advised. The School has therefore not recognised an asset or a liability regarding this funding wash-up, which is expected to be settled in July 2025.



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

22. Commitments

(a) Capital Commitments

At 31 December 2024, the Board had capital commitments of \$218,577 (2023: \$565,713) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
LSC Space & Toilet Refurb	664,420	248,365	416,055
Water Bore Leak	154,227	113,426	40,801
Total	818,647	361,791	456,856

The Board receives funding from the Ministry of Education for Capital Works which is disclosed in note 17.

(b) Operating Commitments

As at 31 December 2024 the Board has not entered into any contracts for operating commitments.
(Operating commitments at 31 December 2023: nil)

23. Financial Instruments

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

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	203,520	330,370	230,700
Receivables	104,505	78,876	68,030
Investments - Term Deposits	115,915	-	135,815
Transport Cluster	20,660	-	20,660
Total Financial Assets Measured at Amortised Cost	444,600	409,246	455,205
Financial liabilities measured at amortised cost			
Payables	166,442	83,629	83,629
Borrowings - Loans	6,559	6,559	10,307
Finance Leases	17,757	12,099	6,298
Total Financial Liabilities Measured at Amortised Cost	190,758	102,287	100,234



KORAKONUI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2024

24. Te Awamutu College Bus Network

Korakonui School is a member of the Te Awamutu College Bus Network along with a number of other schools. The School has a 5.5% share in the activities of the Bus Network.

Funds held in the Bus Network are as follows:

Opening Funds held in Bus Network	20,660	21,190	19,889
Share of net income/(loss) from Bus Network	-	(530)	771
	<u>20,660</u>	<u>20,660</u>	<u>20,660</u>

25. Events After Balance Date

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

26. Comparatives

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



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF KORAKONU SCHOOL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Auditor-General is the auditor of Korakonui School (the School). The Auditor-General has appointed me, Talia Anderson-Town using the staff and resources of Silks Audit Chartered Accountants 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 2 to 22, that comprise the *statement of financial position* as at 31 December 2024, the *statement of comprehensive revenue and expense*, *statement of changes in net assets/equity* and *statement of cash flows* for the year ended on that date, and the *notes to the financial statements that include accounting policies and other explanatory information*.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2024; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Tier 2 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime.

Our audit was completed on 18 August 2025. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities arise from section 134 of the Education and Training Act 2020.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 1, 27 to 49, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

Talia Anderson-Town

**Talia Anderson-Town
Silks Audit Chartered Accountants Limited
On behalf of the Auditor-General
Whanganui, New Zealand**

KORAKONUI SCHOOL

Members of the Board

For the year ended 31 December 2024

Name	Position	How position on Board gained	Occupation	Term expired / expires
Jude Stacey	Presiding Member	Elected August 2021	Farmer	Dec 2026
Thomas Cochrane	Principal	Appointed	Principal	
Stephanie Brown	Parent Rep	Elected December 2020	Director	Dec 2026
Cynthia Port	Parent Rep	Elected September 2022	Farmer	Sept 2025
Gerard Dorssers	Parent Rep	Elected September 2022	Engineering	Sept 2025
Lisa Leather	Staff Rep	Elected September 2022	Teacher	Sept 2025
Kate MacDonald	Parent Rep	Elected September 2022	Teacher	Sept 2025

KORAKONUI SCHOOL

Kiwisport Funding

For the year ended 31 December 2024

Kiwisport is a Government funding initiative to support student participation in organised sport.

In 2024, the school received total Kiwisport funding of \$2,200 (2023: \$1,890).

The funding was spent on activities that will develop students' skills in a range of sporting codes.

Statement of Compliance with Employment Policy

For the year ended 31 December 2024 the Korakonui School Board:

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



Korakonui School



KORAKONUUI SCHOOL

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Korakonui School

Next review: Term 2 2027

Employment Policy

The board of Korakonui School complies with the principle of being a **good employer**, as required by the Education and Training Act 2020 (s 597). We implement this Employment Policy and associated policies to comply with being a good employer and we report on our compliance in our annual report.

Korakonui School supports the fair and proper treatment of staff members in all aspects of their employment, and builds employment relationships that are based on **good faith**. We comply with employment legislation and regulations, and all relevant employment agreements.

The board takes all steps, so far as is reasonably practicable, to meet its primary duty of care obligations to ensure good and safe working conditions for all staff. See **Primary Duty of Care**.

To support our responsibilities as a good employer, we:

- aim to provide equal employment opportunities for all staff members – see **Equal Employment Opportunities**
- employ appropriately qualified staff members through a fair appointment process – see **Appointment Policy**
- ensure that the school is appropriately staffed and that we give effect to the conditions of all relevant employment agreements – see **School Staffing**
- ensure that all staff members maintain proper standards of integrity, conduct, and concern for the