

ROKOKAURI SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address:	462 Rotokauri Road, Rotokauri, Hamilton
School Postal Address:	462 Rotokauri Road, Rotokauri, R D 9 Hamilton 3289
School Phone:	07 849 5068
School Email:	office@rotokauri.school.nz
Ministry Number:	1930

ROTOKAURI SCHOOL

Financial Statements - For the year ended 31 December 2017

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Rotokauri School

Statement of Responsibility

For the year ended 31 December 2017

The Board of Trustees 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 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.

Jarrod Wayne Teale

Full Name of Board Chairperson

Desiree Anne Smith

Full Name of Principal

Jarrod Teale

Signature of Board Chairperson

D.A. Smith

Signature of Principal

31 - 7 - 18.

Date:

31 - 7 - 2018

Date:

Rotokauri School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue				
Government Grants	2	1,357,964	1,339,000	1,374,414
Locally Raised Funds	3	98,405	62,700	122,653
Interest Earned		5,610	5,000	6,089
		<hr/>	<hr/>	<hr/>
		1,461,979	1,406,700	1,503,156
Expenses				
Locally Raised Funds	3	25,934	21,270	40,879
Learning Resources	4	999,870	992,780	987,026
Administration	5	93,473	95,705	88,267
Finance		258	-	274
Property	6	299,180	269,930	304,511
Depreciation	7	47,588	14,800	53,012
Loss on Disposal of Property, Plant and Equipment	12	4,071	-	8
		<hr/>	<hr/>	<hr/>
		1,470,374	1,394,485	1,473,977
Net Surplus / (Deficit) for the year		(8,395)	12,215	29,179
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/> (8,395)	<hr/> <hr/> 12,215	<hr/> <hr/> 29,179

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.



Rotokauri School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
Balance at 1 January	593,659	593,659	561,639
Total comprehensive revenue and expense for the year	(8,395)	12,215	29,179
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	6,728	-	2,841
Equity at 31 December	591,992	605,874	593,659
Retained Earnings	591,992	605,874	593,659
Reserves	-	-	-
Equity at 31 December	591,992	605,874	593,659

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.



Rotokauri School
Statement of Financial Position
As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and Cash Equivalents	8	185,225	189,824	144,010
Accounts Receivable	9	54,393	48,550	60,508
Prepayments		6,366	6,000	6,620
Inventories	10	1,037	1,000	796
Investments	11	68,967	65,000	66,448
		<u>315,988</u>	<u>310,374</u>	<u>278,382</u>
Current Liabilities				
GST Payable		8,826	5,000	780
Accounts Payable	13	79,217	72,000	76,074
Revenue Received in Advance	14	2,063	1,500	1,100
Provision for Cyclical Maintenance	15	11,500	10,000	11,500
Painting Contract Liability - Current Portion	16	6,033	6,000	3,015
Finance Lease Liability - Current Portion	17	8,483	5,000	8,521
		<u>116,122</u>	<u>99,500</u>	<u>100,990</u>
Working Capital Surplus		199,866	210,874	177,392
Non-current Assets				
Property, Plant and Equipment	12	428,709	430,000	444,739
		<u>428,709</u>	<u>430,000</u>	<u>444,739</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	11,571	10,000	8,679
Painting Contract Liability	16	-	-	6,033
Finance Lease Liability	17	25,012	25,000	13,760
		<u>36,583</u>	<u>35,000</u>	<u>28,472</u>
Net Assets		<u>591,992</u>	<u>605,874</u>	<u>593,659</u>
Equity		<u>591,992</u>	<u>605,874</u>	<u>593,659</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



Rotokauri School
Statement of Cash Flows
For the year ended 31 December 2017

	Note	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash flows from Operating Activities				
Government Grants		295,755	364,007	293,904
Locally Raised Funds		99,381	63,300	108,469
Goods and Services Tax (net)		8,046	4,000	(6,877)
Payments to Employees		(101,703)	(117,540)	(91,230)
Payments to Suppliers		(242,510)	(228,985)	(232,447)
Cyclical Maintenance Payments in the year		-	-	
Interest Received		5,724	5,050	6,176
Net cash from / (to) the Operating Activities		64,436	89,832	77,721
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(4,071)	-	
Purchase of PPE (and Intangibles)		(28,459)	(28,800)	(64,388)
Purchase of Investments		(2,519)	(18,868)	(2,224)
Net cash from / (to) the Investing Activities		(35,049)	(47,668)	(66,612)
Cash flows from Financing Activities				
Furniture and Equipment Grant		6,728	-	2,841
Finance Lease Payments		8,115	6,700	(9,580)
Painting contract payments		(3,015)	(3,050)	(3,015)
Funds Held for Capital Works Projects		-	-	
Net cash from Financing Activities		11,828	3,650	(13,429)
Net increase/(decrease) in cash and cash equivalents		41,215	45,814	(2,320)
Cash and cash equivalents at the beginning of the year	8	144,010	144,010	146,330
Cash and cash equivalents at the end of the year	8	185,225	189,824	144,010

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Rotokauri School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

Rotokauri School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (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 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

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 Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest 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 12.



Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

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.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These 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.

Other Grants

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 recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of 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 expense that is offset by a non-cash grant from the Ministry.

e) 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.

f) 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.

g) 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.

h) Accounts Receivable

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

i) 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.

j) Investments

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements under Schedule 6 Section 28 of the Education Act 1989 in relation to the acquisition of investment securities.

k) 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.

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

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	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value

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. 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.

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.

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 benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

o) Revenue Received in Advance

Revenue received in advance relates to fees received from students 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 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) 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 exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

q) Financial Assets and Liabilities

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 categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

r) 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.

s) Budget Figures

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

t) 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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational grants	280,734	274,000	273,781
Teachers' salaries grants	864,971	864,000	858,808
Use of Land and Buildings grants	201,198	201,000	224,079
Other MoE Grants	11,061	-	17,746
	<u>1,357,964</u>	<u>1,339,000</u>	<u>1,374,414</u>

3. Locally Raised Funds

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
Donations	26,527	16,100	41,143
Fundraising	5,156	4,000	24,304
Other revenue	14,593	15,600	12,291
Trading	1,668	1,000	1,596
Activities	44,120	20,000	42,881
Curriculum Recoveries	6,341	6,000	438
	<u>98,405</u>	<u>62,700</u>	<u>122,653</u>
Expenses			
Activities	22,562	20,270	37,555
Trading	1,224	1,000	1,194
Fundraising (costs of raising funds)	2,148	-	2,130
	<u>25,934</u>	<u>21,270</u>	<u>40,879</u>
<i>Surplus for the year Locally raised funds</i>	<u>72,471</u>	<u>41,430</u>	<u>81,774</u>

4. Learning Resources

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Curricular	37,144	32,900	23,035
Equipment repairs	-	-	1,071
Information and communication technology	27,940	26,480	34,441
Extra-curricular activities	11,667	6,000	1,685
Library resources	-	-	1,089
Employee benefits - salaries	918,516	919,200	913,667
Staff development	4,603	8,200	12,038
	<u>999,870</u>	<u>992,780</u>	<u>987,026</u>

5. Administration

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Audit Fee	3,800	4,000	3,700
Board of Trustees Fees	7,225	7,000	6,150
Board of Trustees Expenses	4,168	1,000	2,136
Communication	1,973	2,300	1,959
Consumables	10,534	14,000	2,071
Other	13,889	13,300	19,441
Employee Benefits - Salaries	39,490	44,300	41,316
Insurance	3,464	3,205	2,694
Service Providers, Contractors and Consultancy	8,930	6,600	8,800
	<u>93,473</u>	<u>95,705</u>	<u>88,267</u>



6. Property

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Caretaking and Cleaning Consumables	5,028	4,920	640
Consultancy and Contract Services	28,946	25,950	27,571
Cyclical Maintenance Expense	2,892	-	2,008
Grounds	5,726	3,500	5,561
Heat, Light and Water	15,121	9,500	12,117
Repairs and Maintenance	26,113	14,500	20,129
Use of Land and Buildings	201,198	201,000	224,079
Security	1,403	1,200	1,845
Employee Benefits - Salaries	12,753	9,360	10,561
	<u>299,180</u>	<u>269,930</u>	<u>304,511</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. 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.

7. Depreciation

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Building Improvements	9,805	3,050	8,948
Furniture and Equipment	17,734	5,510	17,994
Information and Communication Technology	12,113	3,770	15,395
Leased Assets	4,246	1,320	7,256
Library Resources	3,690	1,150	3,419
	<u>47,588</u>	<u>14,800</u>	<u>53,012</u>

8. Cash and Cash Equivalents

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Bank Current Account	54,770	64,824	15,654
Bank Call Account	130,455	125,000	128,356
Cash equivalents and bank overdraft for Cash Flow Statement	<u>185,225</u>	<u>189,824</u>	<u>144,010</u>

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

9. Accounts Receivable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Receivables	-	-	13
Receivables from the Ministry of Education	-	-	16,112
Interest Receivable	516	550	630
Teacher Salaries Grant Receivable	53,877	48,000	43,753
	<u>54,393</u>	<u>48,550</u>	<u>60,508</u>
Receivables from Exchange Transactions	516	550	643
Receivables from Non-Exchange Transactions	53,877	48,000	59,865
	<u>54,393</u>	<u>48,550</u>	<u>60,508</u>

10. Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Stationery	1,037	1,000	796
	<u>1,037</u>	<u>1,000</u>	<u>796</u>



11. Investments

The School's investment activities are classified as follows:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Asset			
Short-term Bank Deposits	68,967	65,000	66,448

12. Property, Plant and Equipment

2017	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	295,729				(9,805)	285,924
Furniture and Equipment	75,212	1,739			(17,734)	59,217
Information and Communication	30,132	6,904			(12,113)	24,923
Leased Assets	19,735	33,579	(12,192)	(4,064)	(4,246)	32,812
Library Resources	23,931	5,600		(8)	(3,690)	25,833
Balance at 31 December 2017	444,739	47,822	(12,192)	(4,072)	(47,588)	428,709

2017	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	392,274	(106,350)	285,924
Furniture and Equipment	180,497	(121,280)	59,217
Information and Communication	65,711	(40,788)	24,923
Leased Assets	38,218	(5,406)	32,812
Library Resources	62,190	(36,357)	25,833
Balance at 31 December 2017	738,890	(310,181)	428,709

2016	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	236,072	68,605			(8,948)	295,729
Furniture and Equipment	67,733	25,473			(17,994)	75,212
Information and Communication	28,779	16,748			(15,395)	30,132
Leased Assets	22,352	4,639			(7,256)	19,735
Library Resources	25,169	2,189	(8)		(3,419)	23,931
Balance at 31 December 2016	380,105	117,654	(8)	-	(53,012)	444,739

The net carrying value of equipment held under a finance lease is \$32,812. (2016: \$19,735)

2016	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	392,274	(96,545)	295,729
Furniture and Equipment	206,755	(131,543)	75,212
Information and Communication Technology	101,067	(70,935)	30,132
Leased Assets	35,119	(15,384)	19,735
Library Resources	56,807	(32,676)	23,931
Balance at 31 December 2016	791,822	(347,083)	444,739

13. Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	13,626	13,000	12,770
Accruals	7,130	7,000	6,900
Banking staffing overuse	3,769	3,500	12,152
Employee Entitlements - salaries	53,877	48,000	43,753
Employee Entitlements - leave accrual	815	500	499
	<u>79,217</u>	<u>72,000</u>	<u>76,074</u>
Payables for Exchange Transactions	79,217	72,000	76,074
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>79,217</u>	<u>72,000</u>	<u>76,074</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Other	2,063	1,500	1,100
	<u>2,063</u>	<u>1,500</u>	<u>1,100</u>

15. Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	20,179	20,179	18,171
Increase to the Provision During the Year	2,892	-	2,008
Provision at the End of the Year	<u>23,071</u>	<u>20,179</u>	<u>20,179</u>
Cyclical Maintenance - Current	11,500	10,000	11,500
Cyclical Maintenance - Term	11,571	10,000	8,679
	<u>23,071</u>	<u>20,000</u>	<u>20,179</u>

16. Painting Contract Liability

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Liability	6,033	6,000	3,015
Non Current Liability	-	-	6,033
	<u>6,033</u>	<u>6,000</u>	<u>9,048</u>

In 2006 the Board signed an agreement with Scheduled Maintenance Services Ltd (the contractor) for an agreed programme of work covering an fourteen year period. The programme provides for an exterior repaint of the Ministry owned buildings in 2006 and 2013, with regular maintenance in subsequent years. The agreement has an annual commitment of \$5,275. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

17. Finance Lease Liability

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	8,483	5,000	8,521
Later than One Year and no Later than Five Years	25,012	25,000	13,760
	<u>33,495</u>	<u>30,000</u>	<u>22,281</u>

18. 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:

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
5YA Rooms 2, 4 & 5	<i>in progress</i>	(3,675)	-	1,720	5,395	-
Totals		(3,675)	-	1,720	5,395	-

	2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
5YA Rooms 2, 4 & 5	<i>in progress</i>	-	-	3,675	-	(3,675)
Totals		-	-	3,675	-	(3,675)

19. 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.

20. Remuneration

Key management personnel compensation

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	7,225	6,150
Full-time equivalent members	0.22	0.15
<i>Leadership Team</i>		
Remuneration	273,722	302,096
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	280,947	308,246
Total full-time equivalent personnel	3.22	3.15

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.



Principal

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

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments		
Principal 1	0 - 15	120 - 130
Principal 2	100 - 110	-
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

Other Employees

No other employees received remuneration greater than \$100,000 (2016:Nil)

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

21. Compensation and Other Benefits Upon Leaving

The total value of compensation or

	2017 Actual \$0	2016 Actual \$0
Total	-	-
Number of People	-	-

22. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2017 (Contingent liabilities and assets at 31 December 2016: nil).

23. Commitments

(a) Capital Commitments

As at 31 December 2017 the Board has no capital commitments.

(Capital commitments at 31 December 2016: \$3,675)

(b) Operating Commitments

As at 31 December 2017 the Board has entered into the following contracts:

(a) operating leases of laptops;

	2017 Actual \$	2016 Actual \$
No later than One Year	246	141
Later than One Year and No Later than Five Years	-	81
	<u>246</u>	<u>222</u>

24. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.



25. Financial Instruments

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

Loans and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	185,225	189,824	144,010
Receivables	54,393	48,550	60,508
Investments - Term Deposits	68,967	65,000	66,448
Total Loans and Receivables	<u>308,585</u>	<u>303,374</u>	<u>270,966</u>

Financial liabilities measured at amortised cost

Payables	79,217	72,000	76,074
Finance Leases	33,495	30,000	22,281
Painting Contract Liability	6,033	6,000	9,048
Total Financial Liabilities Measured at Amortised Cost	<u>118,745</u>	<u>108,000</u>	<u>107,403</u>

26. Events After Balance Date

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

27. Breach of Law - Failure to meet Statutory Reporting Deadline

The Board of Trustees did not comply with section 87A(1) of the Education Act 1989 in that it did not submit its annual financial statements for audit by the 31 March 2018.



Rotokauri School

Board of Trustees 2017

Name	Position	How Position On Board Gained	Term Expires
Current Board			
Jarrold Teale	Chairperson	Elected	May-19
Aaron Cornelissen	Parent Rep	Elected	May-19
Marie Carlson	Parent Rep	Elected	May-19
Mike Keightley	Parent Rep	Elected	May-19
Isaac Warbrick	Parent Rep	Elected	May-19
Helena Kirkham	Staff Rep	Appointed	
Desiree Smith	Principal		

Kiwi Sport

Kiwisport is a government initiative to support student's participation in organised sport. In 2017, the school received Kiwisport funding of \$2,889(excluding GST). The funding was spent on various sports activities.(2016 \$2,823 excluding GST)