

ROKOKAURI SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number:	1930
Principal:	Desiree Smith
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

Members of the Board of Trustees

Name	Position	How Position Gained	Expiry Date
Jarrod Teale	Chair Person	Elected	May 2019
Desiree Smith	Principal	ex Officio	
Aaron Cornelissen	Parent Rep	Elected	May 2019
Marie Carlson	Parent Rep	Elected	Resigned Sept 18
Mike Keightley	Parent Rep	Elected	May 2019
Isaac Warbrick	Parent Rep	Elected	May 2019
Craig Zillwood	Parent Rep	Co-opted	May 2019
Helena Kirkham	Staff Rep	Appointed	Resigned Dec 18

Accountant / Service Provider: Peter Granville and Associates Ltd

ROTOKAURI SCHOOL

Annual Report - For the year ended 31 December 2018

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ROKOKAURI SCHOOL

Statement of Responsibility

For the year ended 31 December 2018

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 2018 fairly reflects the financial position and operations of the school.

The School's 2018 financial statements are authorised for issue by the Board.

Paul James Burt

Full Name of Board Chairperson



Signature of Board Chairperson

19/06/2019

Date:

Desiree Anne Smith

Full Name of Principal

D.A. Smith

Signature of Principal

19/6/19

Date:

ROTOKAURI SCHOOL

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	1,383,804	1,364,029	1,357,964
Locally Raised Funds	3	95,755	58,100	98,405
Interest Earned		6,080	5,000	5,610
		<u>1,485,639</u>	<u>1,427,129</u>	<u>1,461,979</u>
Expenses				
Locally Raised Funds	3	27,828	25,500	25,934
Learning Resources	4	989,706	984,350	999,870
Administration	5	83,752	84,000	93,473
Finance		443	-	258
Property	6	323,076	303,860	299,180
Depreciation	7	50,395	20,750	47,588
Loss on Disposal of Property, Plant and Equipment	12	65	-	4,071
		<u>1,475,265</u>	<u>1,418,460</u>	<u>1,470,374</u>
Net Surplus / (Deficit) for the year		10,374	8,669	(8,395)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>10,374</u>	<u>8,669</u>	<u>(8,395)</u>

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 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	<u>591,992</u>	<u>591,992</u>	<u>593,659</u>
Total comprehensive revenue and expense for the year	10,374	8,669	(8,395)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	6,728
- SNUP Grant	8,361		
Equity at 31 December	<u>610,727</u>	<u>600,661</u>	<u>591,992</u>
Retained Earnings	610,727	600,661	591,992
Reserves	-	-	-
Equity at 31 December	<u>610,727</u>	<u>600,661</u>	<u>591,992</u>

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 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	201,340	182,211	185,225
Accounts Receivable	9	57,832	55,500	54,393
Prepayments		6,578	6,500	6,366
Inventories	10	2,174	1,500	1,037
Investments	11	71,426	70,000	68,967
		<u>339,350</u>	<u>315,711</u>	<u>315,988</u>
Current Liabilities				
GST Payable		5,268	7,500	8,826
Accounts Payable	13	84,748	78,050	79,217
Revenue Received in Advance	14	1,000	1,000	2,063
Provision for Cyclical Maintenance	15	11,500	10,000	11,500
Painting Contract Liability - Current Portion	16	3,018	4,000	6,033
Finance Lease Liability - Current Portion	17	9,090	10,000	8,483
		<u>114,624</u>	<u>110,550</u>	<u>116,122</u>
Working Capital Surplus/(Deficit)		224,726	205,161	199,866
Non-current Assets				
Property, Plant and Equipment	12	421,147	428,500	428,709
		<u>421,147</u>	<u>428,500</u>	<u>428,709</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	14,464	13,000	11,571
Finance Lease Liability	17	20,682	20,000	25,012
		<u>35,146</u>	<u>33,000</u>	<u>36,583</u>
Net Assets		<u><u>610,727</u></u>	<u><u>600,661</u></u>	<u><u>591,992</u></u>
Equity		<u><u>610,727</u></u>	<u><u>600,661</u></u>	<u><u>591,992</u></u>

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

ROKOKAURI SCHOOL
Statement of Cash Flows
For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		300,019	875,021	295,755
Locally Raised Funds		93,729	56,600	99,381
Goods and Services Tax (net)		(3,558)	2,500	8,046
Payments to Employees		(113,267)	(117,990)	(101,703)
Payments to Suppliers		(222,718)	(199,670)	(242,510)
Cyclical Maintenance Payments in the year		-	3,000	-
Interest Paid		(443)	-	(258)
Interest Received		6,087	5,050	5,724
Net cash from / (to) the Operating Activities		59,849	624,511	64,436
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	-	(4,071)
Purchase of PPE (and Intangibles)		(37,300)	(11,450)	(28,459)
Purchase of Investments		(2,459)	(5,000)	(2,519)
Net cash from / (to) the Investing Activities		(39,759)	(16,450)	(35,049)
Cash flows from Financing Activities				
Furniture and Equipment /SNUP Grant		8,361	(605,874)	6,728
Finance Lease Payments		(9,321)	(7,800)	8,115
Painting contract payments		(3,015)	(2,000)	(3,015)
Net cash from Financing Activities		(3,975)	(615,674)	11,828
Net increase/(decrease) in cash and cash equivalents		16,115	(7,613)	41,215
Cash and cash equivalents at the beginning of the year	8	185,225	189,824	144,010
Cash and cash equivalents at the end of the year	8	201,340	182,211	185,225

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.

ROKOKAURI SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

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 2018 to 31 December 2018 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 the 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.

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 of Schedule 6 para 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.

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	280,692	286,529	280,734
Teachers' salaries grants	851,536	851,500	864,971
Use of Land and Buildings grants	226,320	226,000	201,198
Other MoE Grants	25,256	-	11,061
	<u>1,383,804</u>	<u>1,364,029</u>	<u>1,357,964</u>

3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
Donations	27,306	14,100	26,527
Activities	50,439	25,000	44,120
Trading	1,491	-	1,668
Fundraising	322	3,300	5,156
Other Revenue	16,197	15,700	20,934
	<u>95,755</u>	<u>58,100</u>	<u>98,405</u>
Expenses			
Activities	27,471	25,500	22,562
Trading	357	-	1,224
Fundraising costs	-	-	2,148
	<u>27,828</u>	<u>25,500</u>	<u>25,934</u>
<i>Surplus for the year Locally raised funds</i>	<u>67,927</u>	<u>32,600</u>	<u>72,471</u>

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	51,228	29,970	48,811
Information and communication technology	19,681	20,230	27,940
Employee benefits - salaries	908,427	915,900	918,516
Staff development	10,370	18,250	4,603
	<u>989,706</u>	<u>984,350</u>	<u>999,870</u>

5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Audit Fee	4,100	4,000	3,800
Board of Trustees Fees	5,125	7,000	7,225
Board of Trustees Expenses	1,907	2,400	4,168
Communication	1,610	2,200	1,973
Consumables	7,955	8,000	10,534
Other	7,489	6,100	13,889
Employee Benefits - Salaries	42,522	43,600	39,490
Insurance	3,474	3,500	3,464
Service Providers, Contractors and Consultancy	9,570	7,200	8,930
	<u>83,752</u>	<u>84,000</u>	<u>93,473</u>

6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Caretaking and Cleaning Consumables	5,339	4,350	5,028
Consultancy and Contract Services	24,877	26,600	28,946
Cyclical Maintenance Expense	2,893	-	2,892
Grounds	5,031	5,020	5,726
Heat, Light and Water	13,646	11,250	15,121
Repairs and Maintenance	29,164	18,100	26,113
Use of Land and Buildings	226,320	226,000	201,198
Security	1,655	1,200	1,403
Employee Benefits - Salaries	14,151	11,340	12,753
	<u>323,076</u>	<u>303,860</u>	<u>299,180</u>

The use of land and buildings figure represents 8% 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.

7. Depreciation

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Building Improvements	9,805	3,000	9,805
Furniture and Equipment	16,035	7,250	17,734
Information and Communication Technology	11,677	5,000	12,113
Leased Assets	9,506	3,500	4,246
Library Resources	3,372	2,000	3,690
	<u>50,395</u>	<u>20,750</u>	<u>47,588</u>

8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Bank Current Account	68,865	50,736	54,770
Bank Call Account	132,475	131,475	130,455
	<u>201,340</u>	<u>182,211</u>	<u>185,225</u>

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

9. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	963	1,000	-
Interest Receivable	509	500	516
Teacher Salaries Grant Receivable	56,360	54,000	53,877
	<u>57,832</u>	<u>55,500</u>	<u>54,393</u>
Receivables from Exchange Transactions	1,472	1,500	516
Receivables from Non-Exchange Transactions	56,360	54,000	53,877
	<u>57,832</u>	<u>55,500</u>	<u>54,393</u>

10. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Stationery	2,174	1,500	1,037
	<u>2,174</u>	<u>1,500</u>	<u>1,037</u>

11. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	71,426	70,000	68,967

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Loss on Disposal	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	285,924	-	-	-	(9,805)	276,119
Furniture and Equipment	59,217	16,607	-	-	(16,035)	59,789
Information and Communication Technology	24,923	19,484	-	-	(11,677)	32,730
Leased Assets	32,812	5,598	-	-	(9,506)	28,904
Library Resources	25,833	1,210	-	(66)	(3,372)	23,605
Balance at 31 December 2018	428,709	42,899	-	(66)	(50,395)	421,147

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	392,274	(116,155)	276,119
Furniture and Equipment	197,104	(137,315)	59,789
Information and Communication Technology	85,195	(52,465)	32,730
Leased Assets	43,816	(14,912)	28,904
Library Resources	63,244	(39,639)	23,605
Balance at 31 December 2018	781,633	(360,486)	421,147

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building Improvements	295,729	-	-	-	(9,805)	285,924
Furniture and Equipment	75,212	1,739	-	-	(17,734)	59,217
Information and Communication Technology	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

The net carrying value of equipment held under a finance lease is \$28,904 (2017: \$32,812)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building Improvements	392,274	(106,350)	285,924
Furniture and Equipment	180,497	(121,280)	59,217
Information and Communication Technology	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

13. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	19,629	15,000	13,626
Accruals	7,647	7,200	7,130
Banking staffing overuse	138	-	3,769
Employee Entitlements - salaries	56,360	55,000	53,877
Employee Entitlements - leave accrual	974	850	815
	<u>84,748</u>	<u>78,050</u>	<u>79,217</u>
Payables for Exchange Transactions	84,748	78,050	79,217
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>84,748</u>	<u>78,050</u>	<u>79,217</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Other	1,000	1,000	2,063
	<u>1,000</u>	<u>1,000</u>	<u>2,063</u>

15. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	23,071	23,000	20,179
Increase/ (decrease) to the Provision During the Year	2,893	-	2,892
Provision at the End of the Year	<u>25,964</u>	<u>23,000</u>	<u>23,071</u>
Cyclical Maintenance - Current	11,500	10,000	11,500
Cyclical Maintenance - Term	14,464	13,000	11,571
	<u>25,964</u>	<u>23,000</u>	<u>23,071</u>

16. Painting Contract Liability

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Liability	3,018	4,000	6,033
Non Current Liability	-	-	-
	<u>3,018</u>	<u>4,000</u>	<u>6,033</u>

In 2006 the Board signed an agreement with Scheduled Maintenance Services Ltd (the contractor) for an agreed programme of work covering a 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 computers and other ICT equipment. Minimum lease payments payable:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	9,090	10,000	8,483
Later than One Year and no Later than Five Years	20,682	20,000	25,012
Later than Five Years			
	<u>29,772</u>	<u>30,000</u>	<u>33,495</u>

18. Funds Held for Capital Works Projects

During the year the School did not receive any funding from the Ministry of Education for capital works projects:

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
5YA Rooms 2, 4 & 5	<i>completed</i>	(3,675)	-	1,720	5,395	-
Totals		<u>(3,675)</u>	<u>-</u>	<u>1,720</u>	<u>5,395</u>	<u>-</u>

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.

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration		
Full-time equivalent members	5,125 0.19	7,225 0.22
<i>Leadership Team</i>		
Remuneration		
Full-time equivalent members	298,466 3	273,722 3
Total key management personnel remuneration	303,591	280,947
Total full-time equivalent personnel	3.19	3.22

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:

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments		
Principal 1	-	0 - 15
Principal 2	110 - 120	100 - 110
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

Other Employees

No other employees received remuneration greater than \$100,000 (2017: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 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:

	2018 Actual \$0	2017 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 2018 (Contingent liabilities and assets at 31 December 2017: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

23. Commitments

(a) Capital Commitments

As at 31 December 2018 the Board has no capital commitments:

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December 2018 the Board has no operating commitments

	2018 Actual \$	2017 Actual \$
No later than One Year	-	246
	<u>-</u>	<u>246</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.

33. Financial Instruments

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

Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	201,340	182,211	185,225
Receivables	57,832	55,500	54,393
Investments - Term Deposits	71,426	70,000	68,967
Total Loans and Receivables	<u>330,598</u>	<u>307,711</u>	<u>308,585</u>

Financial liabilities measured at amortised cost

Payables	84,748	78,050	79,217
Finance Leases	29,772	30,000	33,495
Painting Contract Liability	3,018	4,000	6,033
Total Financial Liabilities Measured at Amortised Cost	<u>117,538</u>	<u>112,050</u>	<u>118,745</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.

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 31 March 2019.