

PUKEPOTO SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number: 1087
Principal: Tracey King
School Address: Awaroa Pukepoto Road, KAITAIA
School Postal Address: RD 1, KAITAIA, 0481
School Phone: 09 409 4557
School Email: admin@pukepoto.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Jolene Hemana	Chairperson	Elected	May 2019
Tracey King	Principal	ex Officio	
Hine King	Parent Rep	Elected	May 2019
Kathleen O'Connor	Parent Rep	Elected	May 2019
Vera Busby	Parent Rep	Co-Opted	May 2019

Accountant / Service Provider: Education Services Ltd

PUKEPOTO SCHOOL

Annual Report - For the year ended 31 December 2018

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Pukepoto 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.


Full Name of Board Chairperson


Full Name of Principal


Signature of Board Chairperson


Signature of Principal

31.05.19
Date:

31.05.19
Date:

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Pukepoto 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	566,859	517,603	540,246
Locally Raised Funds	3	32,527	15,822	48,085
Interest Earned		1,078	600	904
		600,464	534,025	589,235
Expenses				
Locally Raised Funds	3	5,520	8,100	10,228
Learning Resources	4	339,527	346,143	358,426
Administration	5	45,951	41,987	38,902
Finance Costs		666	1,000	1,098
Property	6	147,881	129,811	136,739
Depreciation	7	23,187	23,000	21,975
Loss on Disposal of Property, Plant and Equipment		1,572	-	-
Transport		8,550	8,500	8,708
		572,864	558,341	576,076
Net Surplus / (Deficit)		27,610	(24,316)	13,159
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		27,610	(24,316)	13,159

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

Pukepoto 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>89,972</u>	<u>63,383</u>	<u>76,813</u>
Total comprehensive revenue and expense for the year	27,610	(24,316)	13,159
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	1,009	-	-
Equity at 31 December	<u>118,591</u>	<u>39,067</u>	<u>89,972</u>
Retained Earnings	118,591	39,067	89,972
Equity at 31 December	<u>118,591</u>	<u>39,067</u>	<u>89,972</u>


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

Pukepoto 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	35,465	927	50,181
Accounts Receivable	9	25,429	18,924	17,506
GST Receivable		5,217	4,317	2,313
Prepayments		195	288	598
Investments	10	7,339	-	7,195
Livestock		-	2,143	2,143
		<u>73,645</u>	<u>26,599</u>	<u>79,936</u>
Current Liabilities				
Accounts Payable	12	40,992	50,018	78,838
Provision for Cyclical Maintenance	13	19,203	18,827	19,033
Finance Lease Liability - Current Portion	14	3,090	947	5,592
Funds held for Capital Works Projects	15	2,297	-	6,413
		<u>65,582</u>	<u>69,792</u>	<u>109,876</u>
Working Capital Surplus/(Deficit)		8,063	(43,193)	(29,940)
Non-current Assets				
Property, Plant and Equipment	11	147,192	101,802	153,841
		<u>147,192</u>	<u>101,802</u>	<u>153,841</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	36,150	19,542	30,325
Finance Lease Liability	14	514	-	3,604
		<u>36,664</u>	<u>19,542</u>	<u>33,929</u>
Net Assets		<u><u>118,591</u></u>	<u><u>39,067</u></u>	<u><u>89,972</u></u>
Equity		<u><u>118,591</u></u>	<u><u>39,067</u></u>	<u><u>89,972</u></u>



Signature of Board Chairperson



Signature of Principal

31.05.19

Date:

31.05.19

Date:

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

Pukepoto School
Statement of Cash Flows
For the year ended 31 December 2018

	2018	2018 Budget	2017
Note	Actual \$	(Unaudited) \$	Actual \$
Cash flows from Operating Activities			
Government Grants	173,710	155,892	151,783
Locally Raised Funds	32,527	15,822	48,085
Goods and Services Tax (net)	(2,904)	-	2,004
Payments to Employees	(117,366)	(85,826)	(48,030)
Payments to Suppliers	(80,142)	(80,043)	(80,926)
Interest Paid	(666)	(1,000)	(1,098)
Interest Received	1,096	600	886
Net cash from / (to) the Operating Activities	6,255	5,445	72,704
Cash flows from Investing Activities			
Purchase of PPE (and Intangibles)	(18,187)	(500)	(26,436)
Net cash from / (to) the Investing Activities	(18,187)	(500)	(26,436)
Cash flows from Financing Activities			
Furniture and Equipment Grant	1,009	-	-
Finance Lease Payments	(4,285)	(6,016)	(4,498)
Funds Held for Capital Works Projects	492	-	6,413
Net cash from Financing Activities	(2,784)	(6,016)	1,915
Net increase/(decrease) in cash and cash equivalents	(14,716)	(1,071)	48,183
Cash and cash equivalents at the beginning of the year	8 50,181	1,998	1,998
Cash and cash equivalents at the end of the year	8 35,465	927	50,181

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.

Pukepoto School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

Pukepoto 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 11.

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 14.

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 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 \$1000 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:

Buildings	40 years
Furniture and Equipment	5-18 years
Information and Communication	4 years
Motor Vehicles	5 years
Leased Assets	3-5 years
Library Resources	8 years

Leased assets are depreciated over the life of the lease.

l) Intangible Assets

Software costs

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

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

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

m) 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.

n) 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.

o) 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.

p) Revenue Received In Advance

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

q) 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.

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts 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.

s) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

t) 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.

u) Borrowings

Borrowings are recognised at the amount borrowed. 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 the balance date.

v) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

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

x) Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	160,862	153,030	159,788
Teachers' salaries grants	257,512	276,767	276,975
Use of Land and Buildings grants	97,918	84,944	92,639
Resource teachers learning and behaviour grants	3,330	900	3,780
Other MoE Grants	47,237	1,962	7,064
	<u>566,859</u>	<u>517,603</u>	<u>540,246</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	2,300	2,500	946
Bequests & Grants	14,850	-	33,412
Activities	2,466	995	2,390
Trading	479	300	448
Fundraising	2,667	2,667	2,249
Other Revenue	9,765	9,360	8,640
	<u>32,527</u>	<u>15,822</u>	<u>48,085</u>
Expenses			
Activities	1,329	4,000	7,487
Trading	816	500	-
Fundraising costs	-	-	336
Other Expenses	3,375	3,600	2,405
	<u>5,520</u>	<u>8,100</u>	<u>10,228</u>
Surplus for the year Locally raised funds	<u>27,007</u>	<u>7,722</u>	<u>37,857</u>

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	9,172	10,800	8,090
Library resources	430	500	354
Employee benefits - salaries	322,521	326,993	343,175
Staff development	3,148	1,000	2,694
R&m & Purchases <\$1,000	4,256	6,850	4,113
	<u>339,527</u>	<u>346,143</u>	<u>358,426</u>

5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	3,987	3,800	3,500
Board of Trustees Fees	8,425	6,195	4,420
Board of Trustees Expenses	296	796	288
Communication	1,959	1,810	2,084
Consumables	2,765	2,550	2,460
Operating Lease	-	-	593
Other	4,105	3,700	1,849
Employee Benefits - Salaries	18,812	18,000	18,193
Insurance	466	-	475
Service Providers, Contractors and Consultancy	5,136	5,136	5,040
	<u>45,951</u>	<u>41,987</u>	<u>38,902</u>

6. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	2,116	1,350	3,247
Cyclical Maintenance Expense	5,995	7,792	6,031
Grounds	5,471	3,910	3,596
Heat, Light and Water	10,942	8,115	10,328
Repairs and Maintenance	4,994	6,000	3,426
Use of Land and Buildings	97,918	84,944	92,639
Employee Benefits - Salaries	20,445	17,500	17,472
	<u>147,881</u>	<u>129,611</u>	<u>136,739</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 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Buildings	1,899	1,988	1,899
Building Improvements	2,366	2,476	2,366
Furniture and Equipment	11,099	10,111	9,661
Information and Communication Technology	3,397	3,851	3,679
Leased Assets	4,022	4,210	4,022
Library Resources	404	364	348
	<u>23,187</u>	<u>23,000</u>	<u>21,975</u>

8. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash on Hand	13	-	200
ASB 02 Main A/C	35,401	876	49,930
ASB 50 Account	1	1	1
Bus Float	50	50	50
Cash equivalents for Cash Flow Statement	<u>35,465</u>	<u>927</u>	<u>50,181</u>

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

Of the \$35,465 Cash and Cash Equivalents, \$2,297 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	788	252	333
Receivables from the Ministry of Education	12,629	-	534
Interest Receivable	-	-	18
Teacher Salaries Grant Receivable	12,012	18,672	16,621
	<u>25,429</u>	<u>18,924</u>	<u>17,506</u>
Receivables from Exchange Transactions	788	252	351
Receivables from Non-Exchange Transactions	24,641	18,672	17,155
	<u>25,429</u>	<u>18,924</u>	<u>17,506</u>

10. Investments

The School's Investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	7,339	-	7,195

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings	48,587	-	-	-	(1,899)	46,688
Building Improvements	39,115	-	-	-	(2,366)	36,749
Furniture and Equipment	53,942	1,228	(1,572)	-	(11,099)	42,499
Information and Communication Tech	5,595	16,399	-	-	(3,397)	18,597
Leased Assets	5,537	-	-	-	(4,022)	1,515
Library Resources	1,065	483	-	-	(404)	1,144
Balance at 31 December 2018	153,841	18,110	(1,572)	-	(23,187)	147,192

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings	75,968	(29,280)	46,688
Building Improvements	94,642	(57,893)	36,749
Furniture and Equipment	190,294	(147,795)	42,499
Information and Communication	82,759	(64,162)	18,597
Motor Vehicles	3,200	(3,200)	-
Leased Assets	18,160	(16,645)	1,515
Library Resources	50,561	(49,417)	1,144
Balance at 31 December 2018	515,584	(368,392)	147,192

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Buildings	50,486	-	-	-	(1,899)	48,587
Building Improvements	41,481	-	-	-	(2,366)	39,115
Furniture and Equipment	37,167	26,436	-	-	(9,661)	53,942
Information and Communication Tech	6,491	2,783	-	-	(3,679)	5,595
Leased Assets	9,559	-	-	-	(4,022)	5,537
Library Resources	1,336	77	-	-	(348)	1,065
Balance at 31 December 2017	146,520	29,296	-	-	(21,975)	153,841

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Buildings	75,968	(27,381)	48,587
Building Improvements	94,642	(55,527)	39,115
Furniture and Equipment	208,136	(154,194)	53,942
Information and Communication	83,711	(78,116)	5,595
Motor Vehicles	3,200	(3,200)	-
Leased Assets	18,160	(12,623)	5,537
Library Resources	50,077	(49,012)	1,065
Balance at 31 December 2017	533,894	(380,053)	153,841

12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	6,998	10,752	4,447
Accruals	3,987	3,968	3,500
Capital accruals for PPE items	-	-	89
Banking staffing overuse	17,855	16,280	53,568
Employee Entitlements - salaries	12,012	18,672	16,621
Employee Entitlements - leave accrual	140	346	613
	<u>40,992</u>	<u>50,018</u>	<u>78,838</u>
Payables for Exchange Transactions	23,137	33,738	25,270
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	17,855	16,280	53,568
	<u>40,992</u>	<u>50,018</u>	<u>78,838</u>

The carrying value of payables approximates their fair value.

13. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	49,358	30,577	43,327
Increase to the Provision During the Year	5,995	7,792	6,031
Provision at the End of the Year	<u>55,353</u>	<u>38,369</u>	<u>49,358</u>
Cyclical Maintenance - Current	19,203	18,827	19,033
Cyclical Maintenance - Term	36,150	19,542	30,325
	<u>55,353</u>	<u>38,369</u>	<u>49,358</u>

14. 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	3,149	947	6,016
Later than One Year and no Later than Five Years	514	-	3,663
	<u>3,663</u>	<u>947</u>	<u>9,679</u>

15. Funds Held (Owed) for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

	2018	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Electrical Works	<i>in progress</i>	7,213	-	6,725	-	488
Roofing and Building Works	<i>in progress</i>	(800)	30,524	27,915	-	1,809
Totals		6,413	30,524	34,640	-	2,297

Represented by:

Funds Held on Behalf of the Ministry of Education	2,297
Funds Due from the Ministry of Education	-
	2,297

	2017	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Electrical Works	<i>in progress</i>	-	8,213	1,000	-	7,213
Roofing and Building Works	<i>in progress</i>	-	-	800	-	(800)
Totals		-	8,213	1,800	-	6,413

16. 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.

17. 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	8,425	4,420
Full-time equivalent members	-	0.05
<i>Leadership Team</i>		
Remuneration	162,261	161,757
Full-time equivalent members	1.00	2.00
Total key management personnel remuneration	170,686	166,177
Total full-time equivalent personnel	1.00	2.05

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:		
Principal A		
Salary and Other Payments	80 - 90	100 - 110
Benefits and Other Emoluments	-	-
Termination Benefits	-	-
Principal B		
Salary and Other Payments	60 - 70	-
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
100 - 110	-	-
	0.00	0.00

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

18. 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	2017 Actual
Total	-	-
Number of People	-	-

19. 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.

20. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2018.

(Capital commitments at 31 December 2017: (a) contract for Electrical Work as agent for the Ministry of Education. This project is fully funded by the Ministry and \$8,213 has been received of which \$1,000 has been spent to balance date.)

(b) Operating Commitments

There are no operating commitments as at 31 December 2018 (Operating commitments at 31 December 2017: nil).

21. 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.

22. 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	35,465	927	50,181
Receivables	25,429	18,924	17,506
Investments - Term Deposits	7,339	-	7,195
Total Loans and Receivables	68,233	19,851	74,882

Financial liabilities measured at amortised cost

Payables	40,992	50,018	78,838
Borrowings - Loans	-	-	-
Finance Leases	3,604	947	9,196
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	44,596	50,965	88,034

23. Events After Balance Date

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

24. Comparatives

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