

PAPARIMU SCHOOL



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

Ministry Number: 1425

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires
Tracey Curtin	Chairperson	Re-elected May 2016	May 2019
Rachel Evans	Principal	Ex officio	
Grant Matheson	Parent Representative	Re-elected May 2016	May 2019
Marion Galloway	Parent Representative	Elected May 2016	May 2019
Bradley Pillay	Co-opted	Co-opted May 2018	May 2019
Lynda Pearce	Staff Representative	Elected Feb 2016	May 2019

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PAPARIMU SCHOOL

Financial Statements - For the year ended 31 December 2018

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Paparimu 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

Date:

Date:

Paparimu 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	525,042	478,813	495,169
Locally Raised Funds	3	59,627	48,020	46,502
Interest Earned		3,173	2,000	2,048
		<u>587,842</u>	<u>528,833</u>	<u>543,719</u>
Expenses				
Locally Raised Funds	3	6,092	4,130	5,740
Learning Resources	4	287,956	283,455	254,253
Administration	5	53,507	49,178	64,766
Finance Costs		177	369	169
Property	6	203,616	180,841	175,524
Depreciation	7	15,683	14,616	15,214
Loss on Disposal of Property, Plant and Equipment		825	-	1,036
		<u>567,857</u>	<u>532,589</u>	<u>516,702</u>
Net Surplus / (Deficit)		19,985	(3,756)	27,017
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>19,985</u>	<u>(3,756)</u>	<u>27,017</u>

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

Paparimu School Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Balance at 1 January	334,364	334,363	307,347
Total comprehensive revenue and expense for the year	19,985	(3,756)	27,017
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	-
Equity at 31 December	354,349	330,607	334,364
Retained Earnings	354,349	330,607	334,364
Reserves	-	-	-
Equity at 31 December	354,349	330,607	334,364

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

Paparimu 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	145,013	85,524	107,197
Accounts Receivable	9	29,572	16,832	17,394
Prepayments		2,260	2,840	2,840
Inventories	10	3,040	3,143	3,143
Investments	11	-	60,000	60,000
Funds due for Capital Works Projects	17	1,541	-	-
		<u>181,426</u>	<u>168,339</u>	<u>190,574</u>
Current Liabilities				
GST Payable		6,330	7,287	7,287
Accounts Payable	13	25,376	43,658	43,659
Revenue Received in Advance	14	480	-	817
Provision for Cyclical Maintenance	15	20,788	-	20,683
Finance Lease Liability - Current Portion	16	629	1,039	1,306
Funds held for Capital Works Projects	17	-	-	7,415
		<u>53,603</u>	<u>51,984</u>	<u>81,167</u>
Working Capital Surplus/(Deficit)		127,823	116,355	109,407
Non-current Assets				
Property, Plant and Equipment	12	232,937	222,080	230,496
		<u>232,937</u>	<u>222,080</u>	<u>230,496</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	6,000	7,828	4,500
Finance Lease Liability	16	410	-	1,039
		<u>6,410</u>	<u>7,828</u>	<u>5,539</u>
Net Assets		<u>354,349</u>	<u>330,607</u>	<u>334,364</u>
Equity		<u>354,349</u>	<u>330,607</u>	<u>334,364</u>

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

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

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		118,694	100,618	118,245
Locally Raised Funds		52,732	50,921	52,645
Goods and Services Tax (net)		(957)	7,010	7,010
Payments to Employees		(76,783)	(59,255)	(67,077)
Payments to Suppliers		(89,654)	(60,743)	(40,571)
Interest Paid		(177)	(369)	(169)
Interest Received		3,173	2,000	2,048
Net cash from / (to) the Operating Activities		<u>7,028</u>	<u>40,182</u>	<u>72,131</u>
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		133	-	(78)
Purchase of PPE (and Intangibles)		(19,083)	(6,658)	(10,403)
Proceeds from the sale of Investments		60,000	(60,000)	(60,000)
Net cash from / (to) the Investing Activities		<u>41,050</u>	<u>(66,658)</u>	<u>(70,481)</u>
Cash flows from Financing Activities				
Finance Lease Payments		(1,305)	(183)	(879)
Funds Held for Capital Works Projects		(8,956)	-	8,751
Net cash from Financing Activities		<u>(10,261)</u>	<u>(183)</u>	<u>7,872</u>
Net increase/(decrease) in cash and cash equivalents		<u><u>37,816</u></u>	<u><u>(26,659)</u></u>	<u><u>9,522</u></u>
Cash and cash equivalents at the beginning of the year	8	107,197	112,183	97,675
Cash and cash equivalents at the end of the year	8	<u><u>145,013</u></u>	<u><u>85,524</u></u>	<u><u>107,197</u></u>

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 omitted.

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

Paparimu School

Notes to the Financial Statements

1 Statement of Accounting Policies

For the year ended 31 December 2018

a) Reporting Entity

Paparimu 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.

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 15.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives:

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Other 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 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. The School has met the requirements under Schedule 6 section 28 of the Education Act 1989 in relation to the acquisition of 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 – Crown	40 years
Furniture and equipment	10 years
Information and communication technology	3 years
Leased assets held under a Finance Lease	3 - 5 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 pool key bonds and school house rent 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 revenue, should the School be unable to provide the services to which it relates.

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 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).

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.

The School's financial liabilities comprise accounts payable and finance lease 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	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational grants	80,096	73,559	86,095
Teachers' salaries grants	235,581	227,204	225,933
Use of Land and Buildings grants	170,767	150,991	150,991
Other MoE Grants	38,598	27,059	32,150
	<u>525,042</u>	<u>478,813</u>	<u>495,169</u>

3 Locally Raised Funds

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

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	10,848	13,500	12,132
Fundraising	18,113	8,100	9,799
Trading	27,083	23,200	23,085
Activities	3,584	3,220	1,486
	<u>59,627</u>	<u>48,020</u>	<u>46,502</u>
Expenses			
Activities	3,427	2,900	1,925
Trading	1,853	1,050	1,711
Fundraising (costs of raising funds)	812	180	2,104
	<u>6,092</u>	<u>4,130</u>	<u>5,740</u>
<i>Surplus for the year Locally raised funds</i>	<u>53,535</u>	<u>43,890</u>	<u>40,762</u>

4 Learning Resources

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	7,549	25,670	8,024
Equipment repairs	-	150	130
Information and communication technology	80	31	413
Library resources	264	200	167
Employee benefits - salaries	276,628	253,404	241,933
Staff development	3,435	4,000	3,586
	<u>287,956</u>	<u>283,455</u>	<u>254,253</u>

5 Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	4,350	4,400	4,261
Board of Trustees Fees	3,535	3,850	3,390
Board of Trustees Expenses	1,452	800	940
Communication	1,362	1,260	1,460
Consumables	3,105	4,150	3,342
Other	4,459	2,730	2,224
Employee Benefits - Salaries	28,278	25,000	42,152
Insurance	1,732	1,510	1,769
Service Providers, Contractors and Consultancy	5,235	5,478	5,228
	<u>53,507</u>	<u>49,178</u>	<u>64,766</u>

6 Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	1,892	1,650	2,048
Cyclical Maintenance Provision	1,605	3,328	(67)
Grounds	6,050	6,600	4,344
Heat, Light and Water	6,802	6,100	7,537
Repairs and Maintenance	10,456	4,472	5,088
Use of Land and Buildings - Non Integrated	170,767	150,991	150,991
Employee Benefits - Salaries	6,044	7,700	5,583
	<u>203,616</u>	<u>180,841</u>	<u>175,524</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 of Property, Plant and Equipment

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Building Improvements - Crown	4,422	4,058	4,224
Furniture and Equipment	2,919	2,570	2,675
Information and Communication Technology	4,857	4,794	4,990
Leased Assets	1,276	897	934
Library Resources	2,209	2,297	2,391
	<u>15,683</u>	<u>14,616</u>	<u>15,214</u>

8 Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash on Hand	27	-	30
Bank Current Account	144,943	85,524	107,124
Bank Call Account	43	-	43
	<u>145,013</u>	<u>85,524</u>	<u>107,197</u>

9 Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	6,978	4,458	5,020
Receivables from the Ministry of Education	8,150	60	60
Interest Receivable	-	502	502
Teacher Salaries Grant Receivable	14,445	11,812	11,812
	<u>29,572</u>	<u>16,832</u>	<u>17,394</u>
Receivables from Exchange Transactions	6,978	(355)	502
Receivables from Non-Exchange Transactions	22,595	17,187	16,892
	<u>29,572</u>	<u>16,832</u>	<u>17,394</u>

10 Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Stationery	1,058	2,214	2,214
School Uniforms	1,981	929	929
	<u>3,039</u>	<u>3,143</u>	<u>3,143</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	-	60,000	60,000

12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Land	75,240	-	-	-	-	75,240
Building Improvements	105,785	12,225	-	-	(4,422)	113,588
Furniture and Equipment Information and Communication Technology	19,278	3,132	(448)	-	(2,919)	19,043
Leased Assets	11,229	2,285	-	-	(4,857)	8,657
Library Resources	2,223	-	-	-	(1,276)	947
Balance at 31 December 2018	230,495	18,688	(563)	-	(15,683)	232,937

Accumulated Depreciation

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Land	75,240	-	75,240
Building Improvements	181,195	(67,607)	113,588
Furniture and Equipment Information and Communication Technology	87,549	(68,506)	19,043
Leased Assets	43,056	(34,399)	8,657
Library Resources	3,832	(2,885)	947
Balance at 31 December 2018	429,235	(196,298)	232,937

The net carrying value of equipment held under a finance lease is \$947.

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Land	75,240	-	-	-	-	75,240
Building Improvements	110,009	-	-	-	(4,224)	105,785
Furniture and Equipment Information and Communication Technology	17,022	5,519	(588)	-	(2,675)	19,278
Leased Assets	12,164	4,055	-	-	(4,990)	11,229
Library Resources	2,034	1,123	-	-	(934)	2,223
Balance at 31 December 2017	235,142	11,603	(1,035)	-	(15,214)	230,496

Accumulated Depreciation

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Land	75,240	-	75,240
Building Improvements	168,970	(63,185)	105,785
Furniture and Equipment Information and Communication Technology	84,893	(65,615)	19,278
Leased Assets	44,771	(33,542)	11,229
Library Resources	3,832	(1,609)	2,223
Balance at 31 December 2017	415,281	(184,785)	230,496

The net carrying value of equipment held under a finance lease is \$2223.

13 Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	4,774	31,613	27,353
Accruals	4,350	-	4,261
Banking staffing overuse	1,348	-	-
Employee Entitlements - salaries	14,445	11,812	11,812
Employee Entitlements - leave accrual	459	233	233
	<u>25,376</u>	<u>43,658</u>	<u>43,659</u>
Payables for Exchange Transactions	25,376	43,658	43,659
	<u>25,376</u>	<u>43,658</u>	<u>43,659</u>

The carrying value of payables approximates their fair value.

14 Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Other	480	-	817
	<u>480</u>	<u>-</u>	<u>817</u>

15 Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	25,183	25,183	25,250
Increase to the Provision During the Year	2,963	3,328	4,180
Adjustment to the Provision	(1,358)	-	(4,247)
Use of the Provision During the Year	-	(20,683)	-
Provision at the End of the Year	<u>26,788</u>	<u>7,828</u>	<u>25,183</u>
Cyclical Maintenance - Current	20,788	-	20,683
Cyclical Maintenance - Term	6,000	7,828	4,500
	<u>26,788</u>	<u>7,828</u>	<u>25,183</u>

16 Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	629	1,039	1,306
Later than One Year and no Later than Five Years	410	-	1,039
Later than Five Years	-	-	-
	<u>1,039</u>	<u>1,039</u>	<u>2,345</u>

17 Funds Held for Capital Works Projects

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

	2018	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$	\$	\$
Fire Alarm	<i>completed</i>	121	3,777	(3,898)	-	-
Outdoor Breakout Space	<i>in progress</i>	7,294	3,310	(12,145)	-	(1,541)
Totals		7,415	7,087	(16,043)	-	(1,541)

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Due from the Ministry of Education	(1,541)
	<u>(1,541)</u>

	2017	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$	\$	\$
Security/Fire System	<i>completed</i>	(1,336)	1,336	-	-	-
Fire Alarm	<i>in progress</i>	-	6,660	(6,539)	-	121
Outdoor Breakout Space	<i>in progress</i>	-	29,790	(22,496)	-	7,294
Totals		(1,336)	37,786	(29,035)	-	7,415

18 Related Party Transactions

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

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

19 Remuneration

Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	3,535	3,390
Full-time equivalent members	0.08	0.08
<i>Leadership Team</i>		
Remuneration	100,430	95,062
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	<u>103,965</u>	<u>98,452</u>
Total full-time equivalent personnel	<u>1.08</u>	<u>1.08</u>

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	100 - 110	90 - 100
Benefits and Other Emoluments	0 - 10	0 - 10
Termination Benefits	0	0

Other Employees

No other employee received remuneration greater than \$100,000.

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

20 Compensation and Other Benefits Upon Leaving

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

	2018 Actual	2017 Actual
Total	\$0	\$0
Number of People	0	0

21 Contingencies

There are no contingent liabilities 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.

22 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	-	31
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	31
	-	31

23 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.

24 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	145,013	85,524	107,197
Receivables	29,572	16,832	17,394
Investments	-	60,000	60,000
Total Loans and Receivables	174,585	162,356	184,591
	174,585	162,356	184,591

Financial liabilities measured at amortised cost

Payables	25,376	43,658	43,659
Finance Leases	1,039	1,039	2,345
Total Financial Liabilities Measured at Amortised Cost	26,415	44,697	46,004
	26,415	44,697	46,004

25 Events After Balance Date

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