

MATAMATA PRIMARY SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number:	1813
Principal:	Glenn Macpherson
School Address:	115A Broadway, Matamata
School Postal Address:	PO Box 25, Matamata, 3440
School Phone:	07 888 8566
School Email:	jbarton@matamataprimary.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Aukje de Wilde-Hibma	Chairperson	Elected	May 2019
Glenn MacPherson	Principal	ex Officio	
Gareth Fannin	Parent Rep	Elected	May 2019
Rosanna Carnachan	Parent Rep	Elected	May 2019
Cheyenne KauKau	Parent Rep	Elected	May 2019
Anna Bennett	Parent Rep	Co-opted	May 2019
Rachel Smith	Staff Rep	Appointed	May 2019

Accountant / Service Provider: Education Services Ltd

MATAMATA PRIMARY SCHOOL

Annual Report - For the year ended 31 December 2018

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 12	Statement of Accounting Policies
13 - 22	Notes to the Financial Statements
	Other Information
23 - 26	Analysis of Variance
	Kiwisport

Matamata Primary 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.

Audrey de Wible - Hibma
Full Name of Board Chairperson

[Signature]
Signature of Board Chairperson

Date: 31-05-2019

Aileen MacPherson
Full Name of Principal

[Signature]
Signature of Principal

Date: 31-05-2019

Matamata Primary 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	3,113,899	2,976,957	3,081,220
Locally Raised Funds	3	161,967	53,500	149,523
Interest Earned		7,300	6,000	6,787
Other Revenue		2,023	4,000	13,237
		<u>3,285,189</u>	<u>3,040,457</u>	<u>3,250,767</u>
Expenses				
Locally Raised Funds	3	139,575	13,000	60,375
Learning Resources	4	2,102,736	2,081,086	2,058,780
Administration	5	190,115	201,350	232,896
Finance Costs		1,754	-	-
Property	6	680,323	670,271	680,872
Depreciation	7	105,144	35,700	105,598
Loss on Disposal of Property, Plant and Equipment		48,600	-	3,422
		<u>3,268,247</u>	<u>3,001,407</u>	<u>3,141,943</u>
Net Surplus / (Deficit)		16,942	39,050	108,824
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>16,942</u>	<u>39,050</u>	<u>108,824</u>

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

Matamata Primary 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>856,296</u>	<u>842,997</u>	<u>737,655</u>
Total comprehensive revenue and expense for the year	16,942	39,050	108,824
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	9,817
Equity at 31 December	<u>873,238</u>	<u>882,047</u>	<u>856,296</u>
Retained Earnings	873,238	882,047	856,296
Equity at 31 December	<u>873,238</u>	<u>882,047</u>	<u>856,296</u>

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

Matamata Primary 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	408,889	263,659	229,570
Accounts Receivable	9	177,648	129,165	129,165
GST Receivable		-	9,784	9,784
Prepayments		10,750	7,803	7,803
Inventories	10	10,194	4,154	4,032
Share of Matamata Bus Network		30,049	13,329	13,329
		<u>637,530</u>	<u>427,894</u>	<u>393,683</u>
Current Liabilities				
GST Payable		4,373	-	-
Accounts Payable	12	220,724	166,301	158,309
Revenue Received in Advance	13	91,745	-	-
Provision for Cyclical Maintenance	14	-	14,362	50,462
Finance Lease Liability - Current Portion	15	13,554	10,093	10,093
Funds held for Capital Works Projects	16	63,613	-	2,162
		<u>394,009</u>	<u>190,756</u>	<u>221,026</u>
Working Capital Surplus/(Deficit)		243,521	237,138	172,657
Non-current Assets				
Property, Plant and Equipment	11	688,208	659,899	701,029
		<u>688,208</u>	<u>659,899</u>	<u>701,029</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	40,790	-	2,400
Finance Lease Liability	15	17,701	14,990	14,990
		<u>58,491</u>	<u>14,990</u>	<u>17,390</u>
Net Assets		<u>873,238</u>	<u>882,047</u>	<u>856,296</u>
Equity		<u>873,238</u>	<u>882,047</u>	<u>856,296</u>

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

Matamata Primary 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		711,005	652,000	741,928
Locally Raised Funds		215,143	35,000	166,010
International Students		40,592	-	-
Goods and Services Tax (net)		14,157	-	(20,068)
Payments to Employees		(352,038)	(370,500)	(309,388)
Payments to Suppliers		(384,363)	(285,412)	(533,447)
Cyclical Maintenance Payments in the year		-	(3,000)	-
Interest Paid		(1,754)	-	-
Interest Received		6,949	6,000	6,787
Net cash from / (to) the Operating Activities		249,691	34,088	51,822
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	-	(3,422)
Purchase of PPE (and Intangibles)		(109,242)	-	(132,078)
Net cash from / (to) the Investing Activities		(109,242)	-	(135,500)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	9,817
Owners Contributions		-	-	14,125
Finance Lease Payments		(7,980)	-	-
Funds Held for Capital Works Projects		46,850	-	86,864
Net cash from Financing Activities		38,870	-	110,806
Net increase/(decrease) in cash and cash equivalents		179,319	34,088	27,128
Cash and cash equivalents at the beginning of the year	8	229,570	229,571	202,442
Cash and cash equivalents at the end of the year	8	408,889	263,659	229,570

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.

Matamata Primary School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

Matamata Primary 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 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.

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.

Property, plant and equipment are depreciated over their estimated useful lives on a straight line 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	10-50 years
Furniture and equipment	5-10 years
Information and communication technology	2-5 years
Library resources	12.5% Diminishing value

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. It's 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	619,649	580,000	568,727
Teachers' salaries grants	1,880,752	1,804,586	1,804,586
Use of Land and Buildings grants	510,316	520,371	520,371
Resource teachers learning and behaviour grants	2,960	15,000	57,705
Other MoE Grants	83,502	57,000	64,163
Transport grants	16,720	-	65,668
	<u>3,113,899</u>	<u>2,976,957</u>	<u>3,081,220</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	30,543	20,000	66,725
Bequests & Grants	-	-	20,176
Activities	93,485	11,000	47,874
Trading	24,950	10,500	14,676
Fundraising	1,109	-	72
House Rental	11,880	12,000	-
	<u>161,967</u>	<u>53,500</u>	<u>149,523</u>
Expenses			
Activities	105,210	-	42,306
Trading	25,250	9,000	18,069
Fundraising costs	-	-	-
House Rental	9,115	4,000	-
	<u>139,575</u>	<u>13,000</u>	<u>60,375</u>
<i>Surplus for the year Locally raised funds</i>	<u>22,392</u>	<u>40,500</u>	<u>89,148</u>

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	45,656	36,250	36,398
Library resources	2,356	1,750	26,379
Employee benefits - salaries	2,034,856	2,015,086	1,933,287
Staff development	19,868	28,000	10,916
Resource/attached teacher costs			51,800
	<u>2,102,736</u>	<u>2,081,086</u>	<u>2,058,780</u>

5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Audit Fee	5,181	6,000	5,376
Board of Trustees Fees	5,489	8,500	5,925
Board of Trustees Expenses	5,386	7,200	9,976
Communication	8,964	10,750	13,485
Consumables	6,676	12,750	3,926
Operating Lease	-	4,500	1,563
Other	37,390	32,650	68,911
Employee Benefits - Salaries	106,787	90,000	107,233
Insurance	2,022	13,000	10,568
Service Providers, Contractors and Consultancy	12,220	16,000	5,933
	<u>190,115</u>	<u>201,350</u>	<u>232,896</u>

6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Caretaking and Cleaning Consumables	6,155	10,900	6,254
Cyclical Maintenance Expense	19,851	12,500	(7,415)
Grounds	10,892	8,500	12,927
Heat, Light and Water	29,600	27,500	25,910
Rates	3,590	4,500	3,694
Repairs and Maintenance	12,915	10,000	45,773
Use of Land and Buildings	510,316	520,371	520,371
Security	10,904	6,000	11,309
Employee Benefits - Salaries	76,100	70,000	62,049
	<u>680,323</u>	<u>670,271</u>	<u>680,872</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)	\$
	\$	\$	\$
Buildings	1,762	7,527	22,264
Building Improvements	8,735	-	-
Furniture and Equipment	41,424	12,645	37,403
Information and Communication Technology	40,271	13,963	41,301
Textbooks	73	-	-
Leased Assets	7,635	-	-
Library Resources	5,244	1,565	4,630
	<u>105,144</u>	<u>35,700</u>	<u>105,598</u>

8. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Transfer Holding Account	151,143	58,634	24,545
ASB 01 Account	26,818	26,485	26,485
ASB 16-00 Account (BOT)	25,096	7,024	7,024
ASB Business Saver 50 account	21,902	21,506	21,506
ASB Savings Plus 52 account	-	10	10
ASB 16-02 Account	1,982	-	-
ASB Term Deposit	-	-	-
ASB TD 75	40,592	-	-
Short-term Bank Deposits	141,356	150,000	150,000
Cash equivalents for Cash Flow Statement	<u>408,889</u>	<u>263,659</u>	<u>229,570</u>

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

Of the \$408,889 Cash and Cash Equivalents, \$63,613 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 from the Ministry of Education	48,638	14,601	14,601
Interest Receivable	351	-	-
Teacher Salaries Grant Receivable	128,659	114,564	114,564
	<u>177,648</u>	<u>129,165</u>	<u>129,165</u>
Receivables from Exchange Transactions	351	-	-
Receivables from Non-Exchange Transactions	177,297	129,165	129,165
	<u>177,648</u>	<u>129,165</u>	<u>129,165</u>

10. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Stationery	1,156	3,277	3,155
Uniform	9,038	877	877
	<u>10,194</u>	<u>4,154</u>	<u>4,032</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings	40,408	-	-	-	(1,762)	38,646
Building Improvements	210,293	26,346	(2,942)	-	(8,735)	224,962
Furniture and Equipment	325,408	45,711	(45,658)	-	(41,424)	284,037
Information and Communication Tech	71,388	46,681	-	-	(40,271)	77,798
Textbooks	591	-	-	-	(73)	517
Leased Assets	16,080	22,186	-	-	(7,635)	30,631
Library Resources	36,862	-	-	-	(5,244)	31,617
Balance at 31 December 2018	701,030	140,924	(48,600)	-	(105,144)	688,208

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings	96,432	(57,786)	38,646
Building Improvements	345,597	(120,635)	224,962
Furniture and Equipment	885,858	(601,821)	284,037
Information and Communication	291,335	(213,537)	77,798
Textbooks	5,000	(4,483)	517
Leased Assets	41,481	(10,850)	30,631
Library Resources	121,704	(90,087)	31,617
Balance at 31 December 2018	1,787,407	(1,099,199)	688,208

2017	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Buildings	337,416	33,132	-	-	(22,264)	348,284
Furniture and Equipment	230,191	35,964	(2,116)	-	(37,403)	226,636
Information and Communication Tech	64,558	67,288	(1,306)	-	(41,301)	89,239
Library Resources	42,383	4,866	(5,749)	-	(4,630)	36,870
Balance at 31 December 2017	674,548	141,250	(9,171)	-	(105,598)	701,029

2017	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings	736,433	(388,149)	348,284
Furniture and Equipment	666,339	(439,703)	226,636
Information and Communication	275,131	(185,892)	89,239
Library Resources	140,050	(103,180)	36,870
Balance at 31 December 2017	1,817,953	(1,116,924)	701,029

12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	61,042	25,672	17,680
Accruals	5,181	5,556	5,556
Capital accruals for PPE items	9,497	-	-
Employee Entitlements - salaries	128,659	114,564	114,564
Employee Entitlements - leave accrual	16,345	20,509	20,509
	220,724	166,301	158,309
Payables for Exchange Transactions	220,724	166,301	158,309
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	220,724	166,301	158,309

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Income in Advance	47,782	-	-
Student Income in Advance	3,371	-	-
International Students in Advance	40,592	-	-
	91,745	-	-

14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	52,862	1,862	60,277
Increase/(decrease) to the Provision During the Year	(12,072)	12,500	-
Use of the Provision During the Year			(7,415)
Provision at the End of the Year	40,790	14,362	52,862
Cyclical Maintenance - Current	-	14,362	50,462
Cyclical Maintenance - Term	40,790	-	2,400
	40,790	14,362	52,862

15. 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	13,554	10,093	10,093
Later than One Year and no Later than Five Years	17,701	14,990	14,990
	31,255	25,083	25,083

16. 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 \$
Heat/Drain/Stormwaters/Doors grants <i>in progress</i>		2,162	634,631	573,180	-	63,613
Totals		2,162	634,631	573,180	-	63,613

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Due from the Ministry of Education

63,613

-

63,613

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Heat/Drain/Stormwaters/Doors grants <i>in progress</i>		(84,702)	46,620	44,459	-	2,162
Block A refurbishment grant <i>completed</i>		-	67,806	15,275	32,171	-
CCTV System <i>completed</i>		-	8,672	8,470	(202)	-
Totals		(84,702)	123,098	68,204	31,969	2,162

17. 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.

18. 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	5,489	5,925
Full-time equivalent members	0.22	0.26
<i>Leadership Team</i>		
Remuneration	310,264	492,691
Full-time equivalent members	3.00	5.00
Total key management personnel remuneration	<u>315,753</u>	<u>498,616</u>
Total full-time equivalent personnel	<u>3.22</u>	<u>5.26</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	90 - 100	120-130
Benefits and Other Emoluments	1 - 2	3-4
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	2.00	-
	<u>2.00</u>	<u>0.00</u>

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

19. 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	-	-

20. 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.

21. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2018 (Capital commitments at 31 December 2017: nil).

(b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

(a) operating lease of laptops;

	2018 Actual \$	2017 Actual \$
No later than One Year	-	27
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>-</u>	<u>27</u>

22. 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.

23. 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	408,889	263,659	229,570
Receivables	177,648	129,165	129,165
Investments - Term Deposits	-	-	-
Total Loans and Receivables	<u>586,537</u>	<u>392,824</u>	<u>358,735</u>

Financial liabilities measured at amortised cost

Payables	220,724	166,301	158,309
Borrowings - Loans	-	-	-
Finance Leases	31,255	25,083	25,083
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>251,979</u>	<u>191,384</u>	<u>183,392</u>

24. Events After Balance Date

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

25. Comparatives

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