

# HUNUA SCHOOL

## Financial Statements - For the year ended 31 December 2017

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## Hunua School Statement of Responsibility

For the year ended 31 December 2017

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2017 fairly reflects the financial position and operations of the school.

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

  
Full Name of Board Chairperson

  
Signature of Board Chairperson

29.05.2018  
Date:

  
Full Name of Principal

  
Signature of Principal

29.05.2018  
Date:

**Hunua School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Revenue</b>				
Government Grants	2	1,007,859	904,399	914,991
Locally Raised Funds	3	57,516	43,949	64,154
Interest Earned		6,359	5,000	5,355
Gain on Sale of Property, Plant and Equipment		-	-	-
		<u>1,071,734</u>	<u>953,348</u>	<u>984,500</u>
<b>Expenses</b>				
Locally Raised Funds	3	18,276	12,200	13,963
Learning Resources	4	680,314	608,955	633,412
Administration	5	92,822	91,978	93,902
Finance Costs		1,515	1,615	2,608
Property	6	250,476	210,861	209,678
Depreciation	7	42,190	43,728	43,113
Loss on Disposal of Property, Plant and Equipment		729	-	1,148
		<u>1,086,322</u>	<u>969,337</u>	<u>997,824</u>
<b>Net Surplus / (Deficit)</b>		(14,588)	(15,989)	(13,324)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(14,588)</u>	<u>(15,989)</u>	<u>(13,324)</u>

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

**Hunua School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2017

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Balance at 1 January	330,582	330,582	341,300
Total comprehensive revenue and expense for the year	(14,588)	(15,989)	(13,324)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	6,500	-	2,606
Equity at 31 December	322,494	314,593	330,582

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

**Hunua School**  
**Statement of Financial Position**  
As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	129,241	103,068	156,904
Accounts Receivable	9	40,636	33,296	33,296
GST Receivable		1,062	(4,944)	2,019
Prepayments		411	2,098	2,098
Inventories	10	1,846	1,600	1,600
Investments	11	102,184	100,000	100,000
		<u>275,380</u>	<u>235,118</u>	<u>295,917</u>
<b>Current Liabilities</b>				
GST Payable		-	-	6,963
Accounts Payable	13	57,139	54,448	54,448
Provision for Cyclical Maintenance	15	16,164	6,677	32,674
Finance Lease Liability - Current Portion	16	10,012	10,090	20,130
Funds held in Trust	17	18,806	-	18,806
Funds held for Capital Works Projects	18	7,736	-	9,466
		<u>109,857</u>	<u>71,215</u>	<u>142,487</u>
<b>Working Capital Surplus/(Deficit)</b>		165,523	163,903	153,430
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	173,771	179,312	213,040
		<u>173,771</u>	<u>179,312</u>	<u>213,040</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	15,466	27,909	25,085
Finance Lease Liability	16	1,334	713	10,803
		<u>16,800</u>	<u>28,622</u>	<u>35,888</u>
<b>Net Assets</b>		<u>322,494</u>	<u>314,593</u>	<u>330,582</u>
<b>Equity</b>		<u>322,494</u>	<u>314,593</u>	<u>330,582</u>

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

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

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		238,151	214,085	223,299
Locally Raised Funds		57,516	43,949	64,154
Goods and Services Tax (net)		(6,006)	812	812
Payments to Employees		(96,597)	(72,309)	(102,353)
Payments to Suppliers		(204,353)	(179,444)	(143,671)
Interest Paid		(1,515)	(1,615)	(2,608)
Interest Received		5,792	4,544	4,899
<b>Net cash from / (to) the Operating Activities</b>		<b>(7,012)</b>	<b>10,022</b>	<b>44,532</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		-	-	-
Purchase of PPE (and Intangibles)		(2,489)	7,984	(3,107)
Purchase of Investments		(2,184)	(100,000)	(100,000)
<b>Net cash from / (to) the Investing Activities</b>		<b>(4,673)</b>	<b>(92,016)</b>	<b>(103,107)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		6,500	-	2,606
Finance Lease Payments		(20,748)	(7,423)	(24,305)
Funds Administered on Behalf of Third Parties		(1,730)	-	7,977
<b>Net cash from Financing Activities</b>		<b>(15,978)</b>	<b>(7,423)</b>	<b>(13,722)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(27,863)</b>	<b>(89,417)</b>	<b>(72,297)</b>
Cash and cash equivalents at the beginning of the year	8	156,904	192,486	229,201
Cash and cash equivalents at the end of the year	8	129,241	103,068	156,904

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.*

## Hunua School

### Notes to the Financial Statements

## 1 Statement of Accounting Policies

For the year ended 31 December 2017

#### a) Reporting Entity

Hunua School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

#### b) Basis of Preparation

##### *Reporting Period*

The financial reports have been prepared for the period 1 January 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

##### *Basis of Preparation*

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

##### *Financial Reporting Standards Applied*

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

##### *PBE Accounting Standards Reduced Disclosure Regime*

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

##### *Measurement Base*

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

##### *Presentation Currency*

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

##### *Specific Accounting Policies*

The accounting policies used in the preparation of these financial statements are set out below.

##### *Critical Accounting Estimates And Assumptions*

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

##### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

##### *Critical Judgements in applying accounting policies*

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

##### *Classification of leases*

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 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 for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

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

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



**k) Property, Plant and Equipment**

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

Gains and losses on disposals (i.e. sold or given away) are determined by comparing the proceeds received with the carrying amounts (i.e. the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

**Leased Assets**

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

**Depreciation**

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements	50 years
Furniture and equipment	10 - 20 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	3 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.

*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 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.

**p) 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. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

**q) 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).

**r) 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.

**s) 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.

**t) Budget Figures**

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

**u) Services received in-kind**

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

2 Government Grants

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	225,684	204,085	198,338
Teachers' salaries grants	605,894	530,004	531,382
Use of Land and Buildings grants	163,814	160,310	160,310
Other MoE Grants	12,467	10,000	24,961
	<u>1,007,859</u>	<u>904,399</u>	<u>914,991</u>

3 Locally Raised Funds

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	37,875	32,000	47,453
Fundraising	2,220	150	1,533
Other revenue	2,898	499	4,409
Trading	620	500	276
Activities	13,903	10,800	10,483
	<u>57,516</u>	<u>43,949</u>	<u>64,154</u>
<b>Expenses</b>			
Activities	16,212	11,800	11,651
Trading	391	400	622
Fundraising (costs of raising funds)	445	-	1,650
Other Locally Raised Funds Expenditure	1,228	-	40
	<u>18,276</u>	<u>12,200</u>	<u>13,963</u>
<i>Surplus for the year Locally raised funds</i>	<u>39,240</u>	<u>31,749</u>	<u>50,191</u>

4 Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	9,239	16,700	15,161
Equipment repairs	634	700	418
Information and communication technology	4,731	4,596	7,986
Extra-curricular activities	5,928	3,200	3,504
Library resources	643	1,700	1,877
Employee benefits - salaries	655,624	568,139	595,288
Staff development	3,515	13,920	9,098
	<u>680,314</u>	<u>608,955</u>	<u>633,412</u>

5 Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	2,680	4,680	4,610
Board of Trustees Fees	3,500	4,455	2,850
Board of Trustees Expenses	2,313	1,506	2,259
Communication	5,595	6,650	5,119
Consumables	23,257	17,220	20,283
Other	10,415	13,700	11,337
Employee Benefits - Salaries	35,363	34,000	37,760
Insurance	1,479	1,287	1,214
Service Providers, Contractors and Consultancy	8,220	8,470	8,470
	<u>92,822</u>	<u>91,978</u>	<u>93,902</u>

6 Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Caretaking and Cleaning Consumables	5,908	6,100	5,358
Consullancy and Contract Services	25,048	18,500	19,368
Cyclical Maintenance Provision	(95)	9,501	7,515
Grounds	17,144	4,300	5,794
Heat, Light and Water	12,888	8,600	8,494
Repairs and Maintenance	14,103	3,550	2,566
Use of Land and Buildings - Non Integrated	163,814	160,310	160,310
Employee Benefits - Salaries	11,666	-	273
	<u>250,476</u>	<u>210,861</u>	<u>209,678</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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Building Improvements - Crown	3,103	3,147	3,103
Furniture and Equipment	9,592	10,093	9,951
Information and Communication Technology	8,376	9,681	9,545
Leased Assets	20,041	19,552	19,277
Library Resources	1,078	1,255	1,237
	<u>42,190</u>	<u>43,728</u>	<u>43,113</u>

8 Cash and Cash Equivalents

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Cash on Hand	200	-	200
Bank Current Account	68,024	103,068	49,083
Bank Call Account	-	-	107,621
Short-term Bank Deposits	61,017	-	-
Net cash and cash equivalents	<u>129,241</u>	<u>103,068</u>	<u>156,904</u>

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

Of the \$129,241 Cash and Cash Equivalents, \$7,736 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2017 on Crown owned school buildings under the School's Five Year Property Plan.

9 Accounts Receivable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Interest Receivable	1,375	808	808
Teacher Salaries Grant Receivable	39,261	32,488	32,488
	<u>40,636</u>	<u>33,296</u>	<u>33,296</u>
Receivables from Exchange Transactions	1,375	808	808
Receivables from Non-Exchange Transactions	39,261	32,488	32,488
	<u>40,636</u>	<u>33,296</u>	<u>33,296</u>

10 Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Stationery	1,846	1,600	1,600
	<u>1,846</u>	<u>1,600</u>	<u>1,600</u>

11 Investments

The School's investment activities are classified as follows:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Asset			
Short-term Bank Deposits	102,184	100,000	100,000
Non-current Asset			
Long-term Bank Deposits	-	-	-

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2017.

12 Property, Plant and Equipment

2017	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	105,137				(3,103)	102,034
Furniture and Equipment	56,815	2,087	-		(9,592)	49,310
Information and Communication Technology	10,990	434	(729)		(8,376)	2,319
Leased Assets	31,434	1,161			(20,041)	12,554
Library Resources	8,664	223	(255)		(1,078)	7,554
<b>Balance at 31 December 2017</b>	<b>213,040</b>	<b>3,905</b>	<b>(984)</b>	<b>-</b>	<b>(42,190)</b>	<b>173,771</b>

2017	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	155,121	(53,087)	102,034
Furniture and Equipment	232,427	(183,117)	49,310
Information and Communication Technology	56,622	(54,303)	2,319
Leased Assets	61,214	(48,660)	12,554
Library Resources	37,762	(30,208)	7,554
<b>Balance at 31 December 2017</b>	<b>543,146</b>	<b>(369,375)</b>	<b>173,771</b>

The net carrying value of equipment held under a finance lease is \$12,554

2016	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	108,240				(3,103)	105,137
Furniture and Equipment	64,166	3,106	(506)		(9,951)	56,815
Information and Communication Technology	21,175		(640)		(9,545)	10,990
Leased Assets	33,119	17,592			(19,277)	31,434
Library Resources	11,324		(1,423)		(1,237)	8,664
<b>Balance at 31 December 2016</b>	<b>238,024</b>	<b>20,698</b>	<b>(2,569)</b>	<b>-</b>	<b>(43,113)</b>	<b>213,040</b>

2016	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	155,121	(49,984)	105,137
Furniture and Equipment	236,263	(179,448)	56,815
Information and Communication Technology	65,245	(54,255)	10,990
Leased Assets	60,053	(28,619)	31,434
Library Resources	38,670	(30,006)	8,664
<b>Balance at 31 December 2016</b>	<b>555,352</b>	<b>(342,312)</b>	<b>213,040</b>

The net carrying value of equipment held under a finance lease is \$31,434

13 Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	14,355	21,779	17,169
Accruals	3,180	-	4,610
Banking staffing overuse	-	-	-
Employee Entitlements - salaries	39,261	32,488	32,488
Employee Entitlements - leave accrual	343	181	181
	<u>57,139</u>	<u>54,448</u>	<u>54,448</u>
Payables for Exchange Transactions	57,139	54,448	54,448
	<u>57,139</u>	<u>54,448</u>	<u>54,448</u>

The carrying value of payables approximates their fair value.

14 Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	57,759	57,759	50,570
Increase to the Provision During the Year	(95)	9,501	7,515
Use of the Provision During the Year	(26,034)	(32,674)	(326)
Provision at the End of the Year	<u>31,630</u>	<u>34,586</u>	<u>57,759</u>
Cyclical Maintenance - Current	16,164	6,677	32,674
Cyclical Maintenance - Term	15,466	27,909	25,085
	<u>31,630</u>	<u>34,586</u>	<u>57,759</u>

15 Finance Lease Liability

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	10,012	10,090	20,130
Later than One Year and no Later than Five Years	1,334	713	10,806
	<u>11,346</u>	<u>10,803</u>	<u>30,936</u>

16 Funds held in Trust

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	18,806	-	18,806
	<u>18,806</u>	<u>-</u>	<u>18,806</u>

These funds are held in trust for an identified *Wrap-around* student.

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:

	2017	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$	\$	\$
MOE Property Admin	<i>in progress</i>	7,094	-	-	-	7,094
MOE Property Block 1 & 2	<i>in progress</i>	642	-	-	-	642
MOE Property Heating & Lights	<i>completed</i>	(495)	-	-	(495)	-
MOE Pool Filter Project	<i>in progress</i>	2,225	-	(2,225)	-	-
Totals		9,466	-	(2,225)	(495)	7,736

Represented by:

Funds Held on Behalf of the Ministry of Education	7,736
Funds Due from the Ministry of Education	-
	<u>7,736</u>

	2016	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$	\$	\$
MOE Property Admin	<i>in progress</i>	7,094	-	-	-	7,094
MOE Property Block 1 & 2	<i>in progress</i>	(1,080)	67,488	(65,766)	-	642
MOE Property Carpet	<i>completed</i>	-	9,405	(9,405)	-	-
MOE Property Heating & Lights	<i>in progress</i>	-	19,208	(19,703)	-	(495)
MOE Pool Filter Project	<i>in progress</i>	-	7,493	(5,268)	-	2,225
Totals		6,014	103,594	(100,142)	-	9,466

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.

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	3,500	2,850
Full-time equivalent members	0.14	0.22
<i>Leadership Team</i>		
Remuneration	211,374	177,630
Full-time equivalent members	2.00	1.80
Total key management personnel remuneration	214,874	180,480
Total full-time equivalent personnel	2.14	2.02

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

*Principal*

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

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 130	110 - 120

*Other Employees*

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

Remuneration \$000	2017 FTE Number	2016 FTE Number
-	-	-
-	-	-
-	-	-
-	-	-

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:

	2017 Actual	2016 Actual
Total	-	-
Number of People	-	-

21 Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2017 (Contingent liabilities and assets at 31 December 2016: (Banking Staffing under-use \$4,921).

**22 Commitments**

**(a) Capital Commitments**

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

(Capital commitments at 31 December 2016: nil)

**(b) Operating Commitments**

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

(a) Two rental agreements with Telecom Rentals Limited for teacher's laptops.

	2017 Actual	2016 Actual
	\$	\$
No later than One Year	257	576
Later than One Year and No Later than Five Years	-	257
	<u>257</u>	<u>833</u>

**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**

	2017 Actual	2017 Budget (Unaudited)	2016 Actual
	\$	\$	\$
Cash and Cash Equivalents	129,241	103,058	156,904
Receivables	40,636	33,296	33,296
Investments - Term Deposits	102,184	100,000	100,000
Total Cash and Receivables	<u>272,061</u>	<u>236,354</u>	<u>290,200</u>

**Financial liabilities measured at amortised cost**

Payables	57,139	54,448	54,448
Finance Leases	11,346	10,803	30,933
Total Financial Liabilities Measured at Amortised Cost	<u>68,485</u>	<u>65,251</u>	<u>85,381</u>

**26 Events After Balance Date**

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