

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TE AWAMUTU INTERMEDIATE SCHOOL'S FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of Te Awamutu Intermediate (the School). The Auditor-General has appointed me, Paul Lawrence, using the staff and resources of Crowe Horwath New Zealand Audit Partnership, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the statement of financial position as at 31 December 2018, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2018; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 31 May 2019. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Trustees for the financial statements

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Analysis of Variance and the KiwiSport Note, but does not include the financial statements, and our auditor's report thereon.


Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Paul Lawrence
Crowe Horwath New Zealand Audit Partnership
On behalf of the Auditor-General
Hamilton, New Zealand

TE AWAMUTU INTERMEDIATE SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number:	2001
Principal:	Dale McCabe
School Address:	66 Hazlemere Crescent, Te Awamutu
School Postal Address:	66 Hazlemere Crescent, Te Awamutu 3800
School Phone:	07 871 6377
School Email:	office@teawamutuint.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Expiry Date
Simon Kay	Chair Person	Elected	June 19
Dale McCabe	Principal	ex Officio	
Rovina Phillips	Parent Rep	Elected	June 19
Bernard Westerbaan	Parent Rep	Elected	June 19
Kelly Anderson	Parent Rep	Elected	June 19
Matt Gibson	Parent Rep	Elected	June 19
Greg Oliver	Staff Rep	Elected	June 19

Accountant / Service Provider: Peter Granville & Associates Ltd

TE AWAMUTU INTERMEDIATE SCHOOL

Annual Report - For the year ended 31 December 2018

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Te Awamutu Intermediate 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.

Simon Kay

Full Name of Board Chairperson



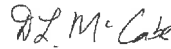
Signature of Board Chairperson

29/05/2019

Date:

Dale McCabe

Full Name of Principal



Signature of Principal

29/05/2019

Date:

Te Awamutu Intermediate 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	3,536,024	3,494,900	3,469,651
Locally Raised Funds	3	592,217	501,500	516,216
Interest Earned		5,070	3,500	3,817
Gain on Sale of Property, Plant and Equipment		-	-	9,221
		<u>4,133,311</u>	<u>3,999,900</u>	<u>3,998,905</u>
Expenses				
Locally Raised Funds	3	435,059	398,000	369,971
Learning Resources	4	2,310,566	2,252,200	2,229,509
Administration	5	234,805	206,400	217,733
Finance		2,898	-	3,445
Property	6	1,043,052	1,003,500	1,013,349
Depreciation	7	132,945	101,000	121,655
Loss on Disposal of Property, Plant and Equipment		1,139	-	206
		<u>4,160,464</u>	<u>3,961,100</u>	<u>3,955,868</u>
Net Surplus / (Deficit) for the year		(27,153)	38,800	43,037
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(27,153)</u>	<u>38,800</u>	<u>43,037</u>

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

Te Awamutu Intermediate 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	610,599	610,599	547,960
Total comprehensive revenue and expense for the year	(27,153)	38,800	43,037
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	19,602
Equity at 31 December	583,446	649,399	610,599
Retained Earnings	583,446	649,399	610,599
Reserves	-	-	-
Equity at 31 December	583,446	649,399	610,599

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



Te Awamutu Intermediate School
Statement of Financial Position
As at 31 December 2018

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	240,958	203,899	170,802
Accounts Receivable	9	215,461	208,000	204,105
GST Receivable		22,354	18,000	14,619
Prepayments		-	-	4,383
Inventories	10	27,393	27,500	29,506
		<u>506,166</u>	<u>457,399</u>	<u>423,415</u>
Current Liabilities				
Accounts Payable	12	185,124	173,000	162,348
Revenue Received in Advance	13	52,762	40,000	44,506
Finance Lease Liability - Current Portion	15	24,004	20,000	30,257
Funds held for Capital Works Projects	16	82,708	-	-
		<u>344,598</u>	<u>233,000</u>	<u>237,111</u>
Working Capital Surplus		161,568	224,399	186,304
Non-current Assets				
Property, Plant and Equipment	11	494,677	480,000	483,794
		<u>494,677</u>	<u>480,000</u>	<u>483,794</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	44,808	40,000	31,547
Finance Lease Liability	15	27,991	15,000	27,952
		<u>72,799</u>	<u>55,000</u>	<u>59,499</u>
Net Assets		<u>583,446</u>	<u>649,399</u>	<u>610,599</u>
Equity		<u>583,446</u>	<u>649,399</u>	<u>610,599</u>

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



Te Awamutu Intermediate 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		788,268	791,039	761,608
Locally Raised Funds		602,537	517,500	547,077
Goods and Services Tax (net)		(7,735)	(3,000)	1,070
Payments to Employees		(386,560)	(315,500)	(311,855)
Payments to Suppliers		(862,301)	(768,300)	(793,060)
Cyclical Maintenance Payments in the year		2,248	(2,000)	(28,206)
Interest Paid		(2,898)	-	(3,445)
Interest Received		5,070	3,500	3,842
Net cash from / (to) the Operating Activities		138,629	223,239	177,031
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(1,139)	(27,500)	(16,429)
Purchase of PPE (and Intangibles)		(119,098)	(63,500)	(97,317)
Net cash from / (to) the Investing Activities		(120,237)	(91,000)	(113,746)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	19,602
Finance Lease Payments		(30,944)	(25,000)	(4,672)
Funds Held for Capital Works Projects		82,708	-	
Net cash from Financing Activities		51,764	(25,000)	14,930
Net increase/(decrease) in cash and cash equivalents		70,156	107,239	78,215
Cash and cash equivalents at the beginning of the year	8	170,802	96,660	92,587
Cash and cash equivalents at the end of the year	8	240,958	203,899	170,802

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.



Te Awamutu Intermediate School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2018 to 31 December 2018 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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



Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 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 canteen stock 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) Property, Plant and Equipment

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

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

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

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

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value



k) 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.

l) 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.

m) 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.

n) Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of grants and unearned fees in relation to student's curriculum, should the School be unable to provide the services to which they relate.

o) Provision for Cyclical Maintenance

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

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

p) Financial Assets and Liabilities

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, 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.



q) 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.

r) Budget Figures

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

s) 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	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	745,507	747,000	739,784
Teachers' salaries grants	2,015,123	2,015,000	1,959,423
Use of Land and Buildings grants	730,931	730,900	756,036
Resource teachers learning and behaviour grants	28,711	-	-
Other MoE Grants	-	-	14,408
Other government grants	15,752	2,000	-
	<u>3,536,024</u>	<u>3,494,900</u>	<u>3,469,651</u>

3. Locally Raised Funds

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	57,780	25,000	43,109
Activities	252,321	253,000	212,432
Trading	104,734	103,500	93,242
Other Revenue	120,124	65,000	123,310
Overseas Travel - Noumea	57,258	55,000	44,123
	<u>592,217</u>	<u>501,500</u>	<u>516,216</u>
Expenses			
Activities	253,326	253,000	217,527
Trading	100,204	90,000	88,246
Transport (local)	21,969	-	19,630
Other Expenses	4,002	-	2,799
Overseas Travel - Noumea	55,558	55,000	41,769
	<u>435,059</u>	<u>398,000</u>	<u>369,971</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>157,158</u>	<u>103,500</u>	<u>146,245</u>

In 2018 French Class students and the Deputy Principal visited Noumea to experience and improve their knowledge of French culture, heritage and language. The trip was funded by the students.

4. Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	104,697	62,000	99,391
Information and communication technology	49,162	56,500	56,893
Library resources	3,037	2,200	2,936
Employee benefits - salaries	2,149,672	2,121,500	2,056,091
Staff development	3,998	10,000	14,198
	<u>2,310,566</u>	<u>2,252,200</u>	<u>2,229,509</u>



5. Administration

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	4,295	4,200	5,020
Board of Trustees Fees	4,440	5,000	6,020
Board of Trustees Expenses	3,893	3,500	3,991
Communication	17,981	11,600	13,018
Consumables	22,976	29,100	23,579
Operating Lease	-	-	656
Other	32,072	29,000	30,986
Employee Benefits - Salaries	132,837	110,000	119,541
Insurance	5,265	7,000	6,518
Service Providers, Contractors and Consultancy	11,046	7,000	8,404
	234,805	206,400	217,733

6. Property

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	12,529	9,000	9,592
Consultancy and Contract Services	1,086	1,100	872
Cyclical Maintenance Expense	13,621	12,000	10,127
Grounds	14,921	17,000	16,689
Heat, Light and Water	41,471	48,000	44,657
Rates	5,798	6,000	5,541
Repairs and Maintenance	94,256	67,500	51,181
Use of Land and Buildings	730,931	730,900	756,036
Security	7,516	7,000	9,099
Employee Benefits - Salaries	120,923	105,000	109,555
	1,043,052	1,003,500	1,013,349

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 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Buildings	14,878	6,000	14,538
Furniture and Equipment	57,924	45,000	55,756
Information and Communication Technology	16,283	10,000	11,110
Motor Vehicles	7,576	7,500	7,576
Leased Assets	31,591	28,000	27,907
Library Resources	4,693	4,500	4,768
	132,945	101,000	121,655



8. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Bank Current Account	229,629	195,399	163,210
Bank Call Account	11,329	8,500	7,592
Cash and cash equivalents for Cash Flow Statement	240,958	203,899	170,802

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

Of the \$240,958 Cash and Cash Equivalents, \$82,708 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	68,527	69,000	70,482
Receivables from the Ministry of Education	5,852	4,000	4,150
Teacher Salaries Grant Receivable	141,082	135,000	129,473
	215,461	208,000	204,105
Receivables from Exchange Transactions	68,527	69,000	70,482
Receivables from Non-Exchange Transactions	146,934	139,000	133,623
	215,461	208,000	204,105

10. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
School Uniforms	26,302	27,000	29,093
Canteen	1,091	500	413
	27,393	27,500	29,506



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings	82,611	18,946	-	-	(14,878)	86,679
Furniture and Equipment	244,746	73,797	(5,313)	-	(57,924)	255,306
Information and Communication Technology	38,752	26,186	-	-	(16,283)	48,655
Motor Vehicles	30,302	-	-	-	(7,576)	22,726
Leased Assets	52,591	24,730	-	-	(31,591)	45,730
Library Resources	34,792	5,482	-	-	(4,693)	35,581
Balance at 31 December 2018	483,794	149,141	(5,313)	-	(132,945)	494,677

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings	293,687	(207,008)	86,679
Furniture and Equipment	538,658	(283,352)	255,306
Information and Communication Technology	86,762	(38,107)	48,655
Motor Vehicles	37,878	(15,152)	22,726
Leased Assets	121,265	(75,535)	45,730
Library Resources	107,439	(71,858)	35,581
Balance at 31 December 2018	1,185,689	(691,012)	494,677

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Buildings	97,149	-	-	-	(14,538)	82,611
Furniture and Equipment	254,851	45,939	(288)	-	(55,756)	244,746
Information and Communication Technology	22,222	27,640	-	-	(11,110)	38,752
Motor Vehicles	10,203	37,878	(10,203)	-	(7,576)	30,302
Leased Assets	36,761	46,969	(3,232)	-	(27,907)	52,591
Library Resources	36,690	2,870	-	-	(4,768)	34,792
Balance at 31 December 2017	457,876	161,296	(13,723)	-	(121,655)	483,794

The net carrying value of equipment held under a finance lease is \$45,730 (2017: \$52,591)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Buildings	282,719	(200,108)	82,611
Furniture and Equipment	528,821	(284,075)	244,746
Information and Communication Technology	60,576	(21,824)	38,752
Motor Vehicles	37,878	(7,576)	30,302
Leased Assets	96,535	(43,944)	52,591
Library Resources	101,957	(67,165)	34,792
Balance at 31 December 2017	1,108,486	(624,692)	483,794



12. Accounts Payable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating creditors	28,390	24,000	19,729
Accruals	8,262	8,000	7,506
Employee Entitlements - salaries	141,082	135,000	129,473
Employee Entitlements - leave accrual	7,390	6,000	5,640
	<u>185,124</u>	<u>173,000</u>	<u>162,348</u>
Payables for Exchange Transactions	185,124	173,000	162,348
	<u>185,124</u>	<u>173,000</u>	<u>162,348</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Other	52,762	40,000	44,506
	<u>52,762</u>	<u>40,000</u>	<u>44,506</u>

14. Provision for Cyclical Maintenance

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	31,547	31,547	49,626
Increase/ (decrease) to the Provision During the Year	13,261	8,453	10,127
Use of the Provision During the Year	-	-	(28,206)
Provision at the End of the Year	<u>44,808</u>	<u>40,000</u>	<u>31,547</u>
Cyclical Maintenance - Term	44,808	40,000	31,547
	<u>44,808</u>	<u>40,000</u>	<u>31,547</u>

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	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	24,004	20,000	30,257
Later than One Year and no Later than Five Years	27,991	15,000	27,952
	<u>51,995</u>	<u>35,000</u>	<u>58,209</u>



16. 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 Contributions	Closing Balances \$
Concrete Replacement	<i>in progress</i>	-	44,998	-	-	44,998
Carpet Replacement	<i>in progress</i>	-	37,710	-	-	37,710
CCTV installation	<i>completed</i>	-	22,350	22,831	481	-
Totals		-	105,058	22,831	481	82,708

Represented by:

Funds Held on Behalf of the Ministry of Education	82,708
	<u>82,708</u>

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Watermains Project	<i>completed</i>	-	29,470	29,470	-	-
Totals		-	29,470	29,470	-	-

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	4,440	6,020
Full-time equivalent members	0.45	0.45
<i>Leadership Team</i>		
Remuneration	345,191	348,230
Full-time equivalent members	3	3
Total key management personnel remuneration	349,631	354,250
Total full-time equivalent personnel	3.45	3.45

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	130 - 140	130 - 140
Benefits and Other Emoluments	0 - 10	0 - 10
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	2
	2	2

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

As at 31 December 2018 the Board has entered into contract agreements for capital works as follows:

(a) \$45,000 contract for concrete paving replacement in 2019, which will be fully funded by the Ministry of Education. \$45,000 has been received on the project to date; and

(b) \$37,700 contract to have Blocks B, C & J flooring replaced which will be fully funded by the Ministry of Education. \$37,700 has been received to date.

(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	-	10,575
Later than One Year and No Later than Five Years	-	-
	<u>-</u>	<u>10,575</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	240,958	203,899	170,802
Receivables	215,461	208,000	204,105
Total Loans and Receivables	<u>456,419</u>	<u>411,899</u>	<u>374,907</u>

Financial liabilities measured at amortised cost

Payables	185,124	173,000	162,348
Finance Leases	51,995	35,000	58,209
Total Financial Liabilities Measured at Amortised Cost	<u>237,119</u>	<u>208,000</u>	<u>220,557</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.

