

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Ministry Number:	3843
Principal:	Rachelle Haslegrave
School Address	2812 Tarras-Cromwell Road, Tarras
School Postal Address:	2812 Tarras-Cromwell Road, RD 3, Cromwell, 9383
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TARRAS SCHOOL

Annual Report - For the year ended 31 December 2018

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Tarras School

Statement of Responsibility

For the year ended 31 December 2018

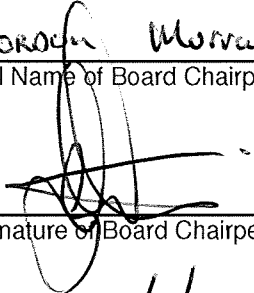
The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

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.

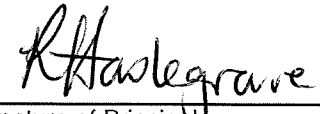
The School's 2018 financial statements are authorised for issue by the Board.

Gordon Murray Watson
Full Name of Board Chairperson


Signature of Board Chairperson

31/5/19.
Date:

RACHELIE HASLEGRAVE
Full Name of Principal


Signature of Principal

31.5.19
Date:

Tarras School

Members of the Board of Trustees

For the year ended 31 December 2018

Name	Position	How Position Gained	Held Until
Gordon Watson	Chairperson	Elected	May 2019
Rachelle Haslegrave	Principal		May 2019
Jackie O'Sullivan	Treasurer/Acting Chair	Appointed	May 2019
Stacey Bates	Parent Rep	Elected	May 2019
Letitia Fraser	Staff Rep	Elected	May 2019

From: payables@fusion.education.govt.nz
 Subject: Attention Accounts Receivable
 Date: 22 May 2019 3:13 pm
 To: office@tarras.school.nz

Payment Remittance Advice

22/05/2019

From Payer	Ministry of Education 33 Bowen Street, Wellington New Zealand Private Box 1666
Supplier No	12373
Supplier or Party	TARRAS SCHOOL TARRAS ROAD, PRIVATE BAG, TARRAS CENTRAL OTAGO New Zealand

The following payment has been remitted.

Payment Number	138613
Payment Date	22/05/2019
Payment Amount	24,598.52

Remittance Detail						
Invoice Reference Number	Date	Document	Invoice Description	Amount	Amount (ex GST)	GST
0053	27/03/2019	211048 -	Heating & Lighting Upgrade	24,598.52	21390.02	3208.50
Total				24,598.52	21390.02	3208.50
				Amount Paid	24,598.52	

For queries contact: AccountsPayable.Enquiries@education.govt.nz
 Phone No. 0800 663 999



Tarras 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	258,085	235,245	268,335
Locally Raised Funds	3	42,167	31,000	27,442
Interest Earned		733	400	893
		<u>300,985</u>	<u>266,645</u>	<u>296,670</u>
Expenses				
Locally Raised Funds	3	17,842	6,100	3,447
Learning Resources	4	121,871	122,750	128,830
Administration	5	32,580	30,500	33,944
Finance Costs		66	-	100
Property	6	108,354	99,495	115,443
Depreciation	7	12,960	10,085	12,189
Loss on Disposal of Property, Plant and Equipment		-	-	2,099
		<u>293,673</u>	<u>268,930</u>	<u>296,052</u>
Net Surplus / (Deficit)		7,312	(2,285)	618
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>7,312</u></u>	<u><u>(2,285)</u></u>	<u><u>618</u></u>

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

Tarras School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2018

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Balance at 1 January	102,138	102,138	96,298
Total comprehensive revenue and expense for the year	7,312	(2,285)	618
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	1,291
Contribution - SNUP	-	-	3,931
Equity at 31 December	109,450	99,853	102,138
Retained Earnings	109,450	99,853	102,138
Equity at 31 December	109,450	99,853	102,138

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

Tarras 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	12,125	15,568	7,768
Accounts Receivable	9	7,447	7,544	7,544
Prepayments		2,028	3,712	3,712
Inventories	9	374	568	568
Investments	10	17,103	26,630	26,630
		<u>39,077</u>	<u>54,022</u>	<u>46,222</u>
Current Liabilities				
GST Payable		1,299	2,392	2,392
Accounts Payable	12	12,711	14,435	14,435
Provision for Cyclical Maintenance	13	4,615	35,643	35,643
Finance Lease Liability - Current Portion	14	2,670	2,944	2,944
		<u>21,295</u>	<u>55,414</u>	<u>55,414</u>
Working Capital Surplus/(Deficit)		17,782	(1,392)	(9,192)
Non-current Assets				
Property, Plant and Equipment	11	106,362	109,011	119,096
		<u>106,362</u>	<u>109,011</u>	<u>119,096</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	9,598	-	-
Finance Lease Liability	14	5,096	7,766	7,766
		<u>14,694</u>	<u>7,766</u>	<u>7,766</u>
Net Assets		<u>109,450</u>	<u>99,853</u>	<u>102,138</u>
Equity		<u>109,450</u>	<u>99,853</u>	<u>102,138</u>

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

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

		2018	2018	2017
	Note	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		68,680	64,000	71,425
Locally Raised Funds		41,087	31,000	27,442
Goods and Services Tax (net)		(1,093)	-	476
Payments to Employees		(41,819)	(42,950)	(40,360)
Payments to Suppliers		(60,661)	(43,650)	(43,841)
Cyclical Maintenance Payments in the Year		(8,927)	(1,000)	(2,643)
Interest Received		799	400	857
Net cash from / (to) the Operating Activities		(1,934)	7,800	13,356
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(226)	-	(8,291)
Purchase of Investments		-	-	(808)
Proceeds from Sale of Investments		9,527	-	-
Net cash from / (to) the Investing Activities		9,301	-	(9,099)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	5,222
Finance Lease Payments		(3,010)	-	(2,797)
Funds Held for Capital Works Projects		-	-	(1,476)
Net cash from Financing Activities		(3,010)	-	949
Net increase/(decrease) in cash and cash equivalents		4,357	7,800	5,206
Cash and cash equivalents at the beginning of the year	8	7,768	7,768	2,562
Cash and cash equivalents at the end of the year	8	12,125	15,568	7,768

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.

Tarras School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2018

1.1. Reporting Entity

Tarras 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.

1.2. Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 14.

Recognition of grants

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

1.3. 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.

1.4. 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.

1.5. 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.

1.6. 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.

1.7. 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.

1.8. 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.

1.9. 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.

1.10. 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.

1.11. 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	6-50 years
Furniture and equipment	6-10 years
Information and communication technology	4-5 years
Leased Assets held under Finance Lease	3-4 years
Library resources	12.5% Diminishing value

1.12. 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.

1.13. 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.

1.14. Employment 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.

1.15. 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).

1.16. 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, 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.

1.17. 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.

1.18. Budget Figures

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

1.19. 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.

1.20. New standards adopted in the current period

The School has early adopted PBE IFRS 9 Financial Instruments from the year ended 31 December 2018 (although not mandatory until periods beginning on or after 1 January 2022). This accounting standard introduces new requirements for the classification and measurement of financial assets and financial liabilities, impairment of financial assets, and rules for hedge accounting. The Board of Trustees is of the view that there is no material impact to the recognition or measurement of financial instruments and disclosure of the school's financial assets and liabilities for the current period and each prior period presented.

2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	65,042	64,000	71,234
Teachers' salaries grants	109,402	105,000	110,193
Use of Land and Buildings grants	81,114	66,245	80,283
Other MoE Grants	2,377	-	6,625
Other government grants	150	-	-
	<u>258,085</u>	<u>235,245</u>	<u>268,335</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	12,705	10,850	12,121
Fundraising	6,083	3,000	4,887
Other revenue	16,288	13,350	7,343
Trading	1,448	300	857
Activities	5,643	3,500	2,234
	<u>42,167</u>	<u>31,000</u>	<u>27,442</u>
Expenses			
Activities	5,896	3,500	368
Trading	1,197	300	997
Fundraising (costs of raising funds)	5,834	500	119
Other Expenses	4,915	1,800	1,963
	<u>17,842</u>	<u>6,100</u>	<u>3,447</u>
<i>Surplus for the year Locally raised funds</i>	<u>24,325</u>	<u>24,900</u>	<u>23,995</u>

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	3,240	3,900	3,695
Equipment repairs	1,349	500	917
Information and communication technology	600	200	60
Library resources	475	600	-
Employee benefits - salaries	114,329	113,150	118,482
Staff development	1,878	4,400	5,676
	<u>121,871</u>	<u>122,750</u>	<u>128,830</u>

5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	2,830	2,600	3,436
Board of Trustees Fees	2,065	-	2,250
Board of Trustees Expenses	-	300	240
Communication	903	1,100	818
Consumables	637	3,200	934
Other	3,180	2,800	3,480
Employee Benefits - Salaries	20,005	17,000	17,768
Insurance	-	500	1,017
Service Providers, Contractors and Consultancy	2,960	3,000	4,001
	<u>32,580</u>	<u>30,500</u>	<u>33,944</u>

6. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	1,204	1,650	1,069
Cyclical Maintenance Provision	1,809	1,000	2,643
Adjustment to the Provision	(14,312)	-	-
Grounds	10,811	4,800	4,490
Heat, Light and Water	4,863	6,000	5,065
Repairs and Maintenance	6,416	2,000	1,977
Use of Land and Buildings	81,114	66,245	80,283
Employee Benefits - Salaries	16,449	17,800	19,916
	<u>108,354</u>	<u>99,495</u>	<u>115,443</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Depreciation of Property, Plant and Equipment

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Building Improvements	4,314	2,000	4,459
Furniture and Equipment	3,151	3,000	3,151
Information and Communication Technology	2,145	2,000	1,733
Leased Assets	2,922	3,000	2,389
Library Resources	428	85	457
	<u>12,960</u>	<u>10,085</u>	<u>12,189</u>

8. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash on Hand	100	100	100
Bank Current Account	11,010	14,868	6,663
Bank Call Account	1,015	600	1,005
Cash equivalents and bank overdraft for Cash Flow Statement	<u>12,125</u>	<u>15,568</u>	<u>7,768</u>

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

9. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables from the Ministry of Education	6,250	7,361	7,361
Interest Receivable	117	183	183
	<u>7,447</u>	<u>7,544</u>	<u>7,544</u>
Receivables from Exchange Transactions	1,197	183	183
Receivables from Non-Exchange Transactions	6,250	7,361	7,361
	<u>7,447</u>	<u>7,544</u>	<u>7,544</u>

10. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	17,103	26,630	26,630

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2018						
Building Improvements	88,345	-	-	-	(4,314)	84,031
Furniture and Equipment	10,157	-	-	-	(3,151)	7,006
Information and Communication	6,553	-	-	-	(2,145)	4,408
Leased Assets	10,840	-	-	-	(2,922)	7,918
Library Resources	3,201	226	-	-	(428)	2,999
Balance at 31 December 2018	119,096	226	-	-	(12,960)	106,362

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2018			
Building Improvements	168,161	(84,130)	84,031
Furniture and Equipment	40,454	(33,448)	7,006
Information and Communication	43,013	(38,605)	4,408
Leased Assets	13,488	(5,570)	7,918
Library Resources	16,534	(13,535)	2,999
Balance at 31 December 2018	281,650	(175,288)	106,362

The net carrying value of equipment held under a finance lease is \$7,918 (2017: \$10,840)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2017						
Building Improvements	92,804	-	-	-	(4,459)	88,345
Furniture and Equipment	13,308	-	-	-	(3,151)	10,157
Information and Communication	3,372	4,914	-	-	(1,733)	6,553
Leased Assets	1,469	11,760	-	-	(2,389)	10,840
Library Resources	2,381	3,377	(2,099)	-	(457)	3,201
Balance at 31 December 2017	113,334	20,051	(2,099)	-	(12,189)	119,096

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2017			
Building Improvements	168,161	(79,816)	88,345
Furniture and Equipment	40,454	(30,297)	10,157
Information and Communication	43,013	(36,460)	6,553
Leased Assets	13,488	(2,648)	10,840
Library Resources	16,308	(13,107)	3,201
Balance at 31 December 2017	281,424	(162,328)	119,096

12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	1,818	1,923	1,923
Accruals	3,770	4,951	4,951
Employee Entitlements - salaries	6,250	7,361	7,361
Employee Entitlements - leave accrual	873	200	200
	<u>12,711</u>	<u>14,435</u>	<u>14,435</u>
Payables for Exchange Transactions	12,711	14,435	14,435
	<u>12,711</u>	<u>14,435</u>	<u>14,435</u>

The carrying value of payables approximates their fair value.

13. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	35,643	35,643	33,000
Increase to the Provision During the Year	1,809	-	2,643
Adjustment to the Provision	(14,312)	-	-
Use of the Provision During the Year	(8,927)	-	-
Provision at the End of the Year	<u>14,213</u>	<u>35,643</u>	<u>35,643</u>
Cyclical Maintenance - Current	4,615	35,643	35,643
Cyclical Maintenance - Term	9,598	-	-
	<u>14,213</u>	<u>35,643</u>	<u>35,643</u>

14. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	2,681	3,011	3,011
Later than One Year and no Later than Five Years	5,096	7,777	7,777
Later than Five Years	-	-	-
	<u>7,777</u>	<u>10,787</u>	<u>10,788</u>

15. Funds Held for Capital Works

Note no transactions relating to capital works occurred during 2018.

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Water Supply Upgrade	Completed	285	-	285	-	-
Multifuel Burners x2	Completed	1,191	-	1,191	-	-
Totals		<u>1,476</u>	<u>-</u>	<u>1,476</u>	<u>-</u>	<u>-</u>

16. Related Party Transactions

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

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

17. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, and the Principal.

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	2,065	2,250
Full-time equivalent members	0.07	0.07
<i>Leadership Team</i>		
Remuneration	87,577	90,175
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	89,642	92,425
Total full-time equivalent personnel	1.07	1.07

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 \$	2017 Actual \$
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	80 - 90	90 - 100
Benefits and Other Emoluments	0 - 0	0 - 0
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$	2018 FTE Number	2017 FTE Number
110 - 120	-	-
100 - 110	-	-
	-	-

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

18. Compensation and Other Benefits Upon Leaving

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

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

19. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

20. Commitments

(a) Capital Commitments

As at 31 December 2018 the Board has not entered into any contract agreements for capital works.

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December 2018 the Board has not entered into any operating contracts:

(a) operating lease of a photocopier;

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

21. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

22. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Loans and Receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	12,125	15,568	7,768
Receivables	7,447	7,544	7,544
Investments - Term Deposits	17,103	26,630	26,630
Total Loans and Receivables	<u>36,675</u>	<u>49,742</u>	<u>41,942</u>

Financial liabilities measured at amortised cost

Payables	12,711	14,435	14,435
Finance Leases	7,766	10,710	10,710
Total Financial Liabilities Measured at Amortised Cost	<u>20,477</u>	<u>25,144</u>	<u>25,144</u>

23. Events After Balance Date

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