

# MAORIBANK SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2018

#### School Directory

<b>Ministry Number:</b>	2902
<b>Principal:</b>	Karen Wellington
<b>School Address:</b>	32 Hillside Drive, Maoribank, Upper Hutt
<b>School Postal Address:</b>	32 Hillside Drive, Maoribank, UPPER HUTT, 5018
<b>School Phone:</b>	04 526 9552
<b>School Email:</b>	principal@maoribank.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expires/ Expired</b>
Ross Tukukino	Chair Person	Elected	May 2019
Karen Wellington	Principal	ex Officio	
Neil Carroll	Parent Rep	Elected	May 2019
Dave Wellington	Parent Rep	Elected	May 2019
Ronnie Rawiri	Parent Rep	Elected	May 2019
Trish Campbell	Parent Rep	Elected	May 2019
Donna Williams	Staff Rep	Elected	May 2019

<b>Accountant / Service Provider:</b>	Education Services Ltd
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# MAORIBANK SCHOOL

Annual Report - For the year ended 31 December 2018

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# Maoribank 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.

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Full Name of Board Chairperson

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Full Name of Principal

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Signature of Board Chairperson

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Signature of Principal

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Date:

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Date:

**Maoribank School****Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2018

		2018	2018	2017
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Revenue</b>				
Government Grants	2	866,088	722,595	759,180
Locally Raised Funds	3	43,830	4,000	42,788
Interest Earned		8,450	5,500	6,491
		<hr/>	<hr/>	<hr/>
		918,368	732,095	808,459
<b>Expenses</b>				
Locally Raised Funds	3	10,867	-	12,189
Learning Resources	4	632,477	483,977	506,776
Administration	5	58,276	58,750	54,889
Finance Costs		762	150	307
Property	6	203,473	176,053	168,602
Depreciation	7	21,015	16,000	16,574
		<hr/>	<hr/>	<hr/>
		926,870	734,930	759,337
<b>Net Surplus / (Deficit)</b>		(8,502)	(2,835)	49,122
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<hr/>	<hr/>	<hr/>
		(8,502)	(2,835)	49,122

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

**Maoribank School****Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
<b>Balance at 1 January</b>	<b>238,448</b>	<b>173,345</b>	<b>189,326</b>
Total comprehensive revenue and expense for the year	(8,502)	(2,835)	49,122
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	1,044	-	-
<b>Equity at 31 December</b>	<b>230,990</b>	<b>170,510</b>	<b>238,448</b>
Retained Earnings	230,990	170,510	238,448
<b>Equity at 31 December</b>	<b>230,990</b>	<b>170,510</b>	<b>238,448</b>

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

**Maoribank School**  
**Statement of Financial Position**  
As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	88,198	123,438	188,574
Accounts Receivable	9	38,959	25,543	33,429
GST Receivable		3,913	2,385	5,407
Prepayments		6,350	3,290	4,425
Investments	10	116,712	-	155,230
		<u>254,132</u>	<u>154,656</u>	<u>387,065</u>
<b>Current Liabilities</b>				
Accounts Payable	12	44,590	37,972	44,093
Revenue Received in Advance	13	1,040	1,150	1,265
Provision for Cyclical Maintenance	14	30,000	-	54,000
Finance Lease Liability - Current Portion	15	5,432	1,566	2,530
Funds held for Capital Works Projects	16	10,785	-	112,167
Funds held on behalf of RTM Cluster	17	20,611	14,333	17,222
		<u>112,458</u>	<u>55,021</u>	<u>231,277</u>
<b>Working Capital Surplus/(Deficit)</b>		141,674	99,635	155,788
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	93,358	70,875	84,631
		<u>93,358</u>	<u>70,875</u>	<u>84,631</u>
<b>Non-current Liabilities</b>				
Finance Lease Liability	15	4,042	-	1,971
		<u>4,042</u>	<u>-</u>	<u>1,971</u>
<b>Net Assets</b>		<u>230,990</u>	<u>170,510</u>	<u>238,448</u>
<b>Equity</b>		<u>230,990</u>	<u>170,510</u>	<u>238,448</u>

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

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

		2018	2018	2017
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		243,987	217,165	225,042
Locally Raised Funds		42,494	4,000	39,550
Goods and Services Tax (net)		1,494	-	(3,022)
Payments to Employees		(140,412)	(114,700)	(121,717)
Payments to Suppliers		(124,753)	(184,314)	(95,771)
Cyclical Maintenance Payments in the year		(41,720)	-	(6,440)
Interest Paid		(762)	(150)	(307)
Interest Received		7,097	5,500	7,121
Net cash from / (to) the Operating Activities		(12,575)	(72,499)	44,456
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(27,378)	(13,500)	(19,928)
Purchase of Investments		-	-	(64,981)
Proceeds from Sale of Investments		38,518	87,508	-
Net cash from / (to) the Investing Activities		11,140	74,008	(84,909)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		1,044	-	-
Finance Lease Payments		(1,992)	(3,500)	(3,105)
Funds Administered on Behalf of Third Parties		3,389	-	2,219
Funds Held for Capital Works Projects		(101,382)	-	104,484
Net cash from Financing Activities		(98,941)	(3,500)	103,598
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(100,376)</b>	<b>(1,991)</b>	<b>63,145</b>
Cash and cash equivalents at the beginning of the year	8	188,574	125,429	125,429
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>88,198</b>	<b>123,438</b>	<b>188,574</b>

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.

# **Maoribank School**

## **Notes to the Financial Statements**

### **For the year ended 31 December 2018**

#### **1. Statement of Accounting Policies**

##### **a) Reporting Entity**

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

##### **b) Basis of Preparation**

###### ***Reporting Period***

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

###### ***Basis of Preparation***

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

###### ***Financial Reporting Standards Applied***

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

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

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

###### ***Measurement Base***

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

###### ***Presentation Currency***

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

###### ***Specific Accounting Policies***

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



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

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

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

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

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

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

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

#### ***Classification of leases***

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 15.

#### ***Recognition of grants***

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

## **c) Revenue Recognition**

### ***Government Grants***

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

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

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

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

### ***Other Grants***

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

***Donations, Gifts and Bequests***

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

***Interest Revenue***

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

**d) Use of Land and Buildings Expense**

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

**e) Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

**f) Finance Lease Payments**

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

**g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

**h) Accounts Receivable**

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

**i) Inventories**

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

#### **j) Investments**

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as “available for sale” for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

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

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

#### **k) Property, Plant and Equipment**

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

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

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

Property, plant and equipment acquired with individual values under \$250 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 are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building Improvements	20 years
Furniture and Equipment	10 years
Information and Communication	5 years
Library Resources	8 years

Leased assets are depreciated over the life of the lease.

### **I) Intangible Assets**

#### ***Software costs***

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

### **m) Impairment of property, plant, and equipment and intangible assets**

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

#### ***Non cash generating assets***

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

**n) Accounts Payable**

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

**o) Employee Entitlements***Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

*Long-term employee entitlements*

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

**p) Revenue Received in Advance**

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

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

**q) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

**r) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

**s) Provision for Cyclical Maintenance**

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

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

**t) Financial Assets and Liabilities**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

**u) Borrowings**

Borrowings are recognised at the amount borrowed. Borrowings are classified as current liabilities unless the School has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

**v) Goods and Services Tax (GST)**

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

**w) Budget Figures**

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

**x) Services received in-kind**

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

## 2. Government Grants

	2018	2018	2017
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operational grants	185,811	167,465	163,733
Teachers' salaries grants	502,708	386,627	408,693
Use of Land and Buildings grants	116,726	118,803	124,542
Other MoE Grants	60,154	49,700	56,818
Other government grants	689	-	5,394
	<b>866,088</b>	<b>722,595</b>	<b>759,180</b>

## 3. Locally Raised Funds

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

	2018	2018	2017
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
Donations	10,181	4,000	5,067
Bequests & Grants	18,019	-	21,813
Activities	11,111	-	12,480
Fundraising	2,277	-	3,428
Asc	2,242	-	-
	<b>43,830</b>	<b>4,000</b>	<b>42,788</b>
<b>Expenses</b>			
Activities	7,769	-	8,004
Fundraising costs	122	-	2,475
Other Expenses	-	-	1,710
Asc	2,976	-	-
	<b>10,867</b>	<b>-</b>	<b>12,189</b>
<i>Surplus for the year Locally raised funds</i>	<b>32,963</b>	<b>4,000</b>	<b>30,599</b>

## 4. Learning Resources

	2018	2018	2017
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	10,928	7,150	4,038
Library resources	258	500	144
Employee benefits - salaries	614,599	472,327	500,108
Staff development	6,692	4,000	2,486
	<b>632,477</b>	<b>483,977</b>	<b>506,776</b>

## 5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,906	4,500	5,689
Board of Trustees Fees	4,015	3,500	3,830
Board of Trustees Expenses	80	1,100	461
Communication	1,649	1,900	1,752
Consumables	2,467	2,150	1,936
Operating Lease	1,112	500	667
Other	7,296	7,000	6,661
Employee Benefits - Salaries	26,656	29,000	25,857
Insurance	3,695	3,600	3,476
Service Providers, Contractors and Consultancy	5,400	5,500	4,560
	<u>58,276</u>	<u>58,750</u>	<u>54,889</u>

## 6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	7,150	5,200	5,021
Cyclical Maintenance Expense	17,720	8,000	(6,000)
Grounds	7,119	2,800	3,853
Heat, Light and Water	13,027	13,800	12,740
Rates	3,641	3,200	3,085
Repairs and Maintenance	16,026	6,950	6,348
Use of Land and Buildings	116,726	118,803	124,542
Security	3,365	2,700	2,498
Employee Benefits - Salaries	219	-	25
Contractors	18,480	14,600	16,490
	<u>203,473</u>	<u>176,053</u>	<u>168,602</u>

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

## 7. Depreciation

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	1,797	1,735	1,797
Furniture and Equipment	10,345	6,362	6,590
Information and Communication Technology	5,521	6,667	6,906
Leased Assets	3,060	971	1,006
Library Resources	292	265	275
	<u>21,015</u>	<u>16,000</u>	<u>16,574</u>



## 8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	116	-	116
ASB 2034-00	10,832	108,438	148,610
ASB 2034-50	1,695	5,000	1,636
ASB 2034-51	-	5,000	38,212
ASB Term Deposit - 0073	-	5,000	-
Short-term Bank Deposits	75,555	-	-
Cash equivalents for Cash Flow Statement	<u>88,198</u>	<u>123,438</u>	<u>188,574</u>

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

Of the \$88,198 Cash and Cash Equivalents, \$10,785 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	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	742	468	1,708
Receivables from the Ministry of Education	1,967	-	4,419
Interest Receivable	1,353	630	-
Teacher Salaries Grant Receivable	34,897	24,445	27,302
	<u>38,959</u>	<u>25,543</u>	<u>33,429</u>
Receivables from Exchange Transactions	2,095	1,098	1,708
Receivables from Non-Exchange Transactions	36,864	24,445	31,721
	<u>38,959</u>	<u>25,543</u>	<u>33,429</u>

## 10. Investments

The School's investment activities are classified as follows:

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	116,712	-	155,230

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	26,349	-	-	-	(1,797)	24,553
Furniture and Equipment	43,722	13,079	-	-	(10,345)	46,456
Information and Communication Tech	9,887	7,342	-	-	(5,521)	11,708
Leased Assets	3,714	9,181	-	-	(3,060)	9,835
Library Resources	959	140	-	-	(292)	806
<b>Balance at 31 December 2018</b>	<b>84,631</b>	<b>29,742</b>	<b>-</b>	<b>-</b>	<b>(21,015)</b>	<b>93,358</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	56,822	(32,269)	24,553
Furniture and Equipment	255,885	(209,429)	46,456
Information and Communication	147,680	(135,972)	11,708
Leased Assets	28,274	(18,439)	9,835
Library Resources	2,345	(1,539)	806
<b>Balance at 31 December 2018</b>	<b>491,006</b>	<b>(397,648)</b>	<b>93,358</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building Improvements	28,146	-	-	-	(1,797)	26,349
Furniture and Equipment	23,832	26,481	-	-	(6,590)	43,722
Information and Communication Tech	16,793	-	-	-	(6,906)	9,887
Leased Assets	1,634	3,086	-	-	(1,006)	3,714
Library Resources	970	264	-	-	(275)	959
<b>Balance at 31 December 2017</b>	<b>71,375</b>	<b>29,831</b>	<b>-</b>	<b>-</b>	<b>(16,574)</b>	<b>84,631</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building Improvements	56,822	(30,473)	26,349
Furniture and Equipment	242,805	(199,083)	43,722
Information and Communication	140,338	(130,451)	9,887
Leased Assets	19,094	(15,380)	3,714
Library Resources	2,205	(1,246)	959
<b>Balance at 31 December 2017</b>	<b>461,264</b>	<b>(376,633)</b>	<b>84,631</b>

## 12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	4,903	8,282	3,707
Accruals	3,680	4,458	4,458
Capital accruals for PPE items	-	-	7,839
Employee Entitlements - salaries	34,897	24,445	27,302
Employee Entitlements - leave accrual	1,110	787	787
	<u>44,590</u>	<u>37,972</u>	<u>44,093</u>
Payables for Exchange Transactions	44,590	37,972	44,093
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>44,590</u>	<u>37,972</u>	<u>44,093</u>

The carrying value of payables approximates their fair value.

## 13. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Income in Advance	1,040	1,150	1,265
	<u>1,040</u>	<u>1,150</u>	<u>1,265</u>

## 14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	54,000	(8,000)	60,000
Increase to the Provision During the Year	17,720	8,000	440
Use of the Provision During the Year	(41,720)	-	(6,440)
Provision at the End of the Year	<u>30,000</u>	<u>-</u>	<u>54,000</u>
Cyclical Maintenance - Current	30,000	-	54,000
Cyclical Maintenance - Term	-	-	-
	<u>30,000</u>	<u>-</u>	<u>54,000</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 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	5,432	1,566	2,530
Later than One Year and no Later than Five Years	5,441	-	1,971
	<u>10,873</u>	<u>1,566</u>	<u>4,501</u>

## 16. Funds Held (Owed) for Capital Works Projects

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

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Roofing	<i>completed</i>	7,683	(7,683)	-	-	-
Roofing,Spouting,Electrical	<i>in progress</i>	104,484	7,683	111,407	-	760
Special Needs Modifications	<i>in progress</i>	-	11,225	1,200	-	10,025
Totals		<u>112,167</u>	<u>11,225</u>	<u>112,607</u>	<u>-</u>	<u>10,785</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	10,785
Funds Due from the Ministry of Education	-
	<u>10,785</u>

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Roofing	<i>in progress</i>	7,683	-	-	-	7,683
Roofing,Spouting,Electrical	<i>in progress</i>	-	104,564	80	-	104,484
Totals		<u>7,683</u>	<u>104,564</u>	<u>80</u>	<u>-</u>	<u>112,167</u>

## 17. Funds held on behalf of RTM Cluster

Kiwi Park School is the lead school and holds funds on behalf of the Kiwi Park cluster, a group of schools funded by the Ministry of Education to share ICT professional development.

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Funds Held at Beginning of the Year	17,222	14,333	14,334
Funds Received from Cluster Members	15,158	-	14,963
Funds Spent on Behalf of the Cluster	(11,769)	-	(12,075)
ICT Professional Development Distribution of Funds			
School A			
School B			
School C			
School D			
Funds Held at Year End	20,611	14,333	17,222

These assets and liabilities form part of the school's assets and liabilities and are presented on the school's statement of financial position.

### Current Assets

Cash at bank

### Non Current Assets

Property Plant and Equipment

### Current Liabilities

Operating Creditors

### Non Current Liabilities

Borrowings

### Equity

## 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.

	<b>2018 Actual \$</b>	<b>2017 Actual \$</b>
<i>Board Members</i>		
Remuneration	4,015	3,830
Full-time equivalent members	0.13	0.12
<i>Leadership Team</i>		
Remuneration	232,822	99,092
Full-time equivalent members	3.00	1.00
Total key management personnel remuneration	236,837	102,922
Total full-time equivalent personnel	3.13	1.12

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:

	<b>2018 Actual \$000</b>	<b>2017 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	100 - 110	90 - 100
Benefits and Other Emoluments	2 - 3	2 - 3
Termination Benefits	-	-

### *Other Employees*

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

<b>Remuneration \$000</b>	<b>2018 FTE Number</b>	<b>2017 FTE Number</b>
100 - 110	-	-
	0.00	0.00

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:

	<b>2018 Actual</b>	<b>2017 Actual</b>
Total	-	-
Number of People	-	-

## **21. 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.

## **22. Commitments**

### **(a) Capital Commitments**

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

### **(b) Operating Commitments**

There are no operating commitments as at 31 December 2018 (Operating commitments at 31 December 2017: nil).

## **23. Managing Capital**

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

## 24. Financial Instruments

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

### Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	88,198	123,438	188,574
Receivables	38,959	25,543	33,429
Investments - Term Deposits	116,712	-	155,230
Total Loans and Receivables	243,869	148,981	377,233

### Financial liabilities measured at amortised cost

Payables	44,590	37,972	44,093
Borrowings - Loans	-	-	-
Finance Leases	9,474	1,566	4,501
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	54,064	39,538	48,594

## 25. Events After Balance Date

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

## 26. Comparatives

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