

Derliij MacLean
Martin Wakefield
26 Canon Street
TIMARU

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2018

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of Arowhenua Maori School (the School) for the year ended 31 December 2018 for the purpose of expressing an independent opinion about whether the financial statements:

- present fairly, in all material respects:
 - the financial position as at 31 December 2018; and
 - the 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 (PBE) Standards Reduced Disclosure Regime.

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand).

General representations

To the best of our knowledge and belief:

- the resources and activities under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud.

Representations for the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 87(3) of the Education Act 1989 and, in particular, that the financial statements:
 - present fairly, in all material respects:
 - the financial position as at 31 December 2018; and
 - the 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 (PBE) Standards Reduced Disclosure Regime.
- we believe the significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter.
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime.

Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
 - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements; and

- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware.
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with one another, and the other information does not contain any material misstatements.

Going concern basis of accounting

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2018. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from the date of signing the financial statements, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, surrounding the adoption of the going concern basis of accounting by the School.

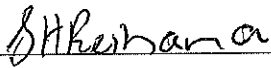
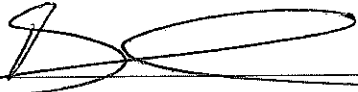
Publication of the financial statements and related audit report on a website

We confirm that we are responsible for the electronic presentation of the audited financial statements, and:

- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.
- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully

| | | | |
|-------------|---|------|------------|
| Chairperson |  | Date | 14/8/19 |
| Principal |  | Date | 14-08-2019 |

AROWHENUA MAORI SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Ministry Number: 3280

Address: 33 Huirapa Street, Temuka 7920

Postal Address: 33 Huirapa Street, Temuka 7920

Phone: 03 6157391

Email: office@arowhenuamaori.school.nz

Members of the Board of Trustees

| Name | Position | How position on | Term expires |
|------------------|-----------------|------------------------|---------------------|
| Richie Waa | Chairperson | Elected May 2016 | May 2019 |
| Pikimai Ouknider | Trustee | Elected May 2016 | May 2019 |
| Tuatahi Taha | Trustee | Elected May 2016 | May 2019 |
| Elizabeth Wilson | Staff rep | Elected May 2016 | May 2019 |
| Bronwyn Te Koeti | Principal | | |

89 Nazareth Avenue
Christchurch
Ph: 03 338 4444

AROWHENUA MAORI SCHOOL

Financial Statements - For the year ended 31 December 2018

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Arowhenua Maori 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.

Solly Herenini Rehana
Full Name of Board Chairperson

Bonny Ann Te Koeti-James
Full Name of Principal

S Rehana
Signature of Board Chairperson

[Signature]
Signature of Principal

14/8/19
Date:

14/8/19
Date:

Arowhenua Maori 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 | 628,265 | 614,993 | 508,505 |
| Locally Raised Funds | 3 | 18,419 | 14,360 | 7,919 |
| Interest Received | | 3,231 | 2,000 | 2,844 |
| | | <u>649,915</u> | <u>631,353</u> | <u>519,268</u> |
| Expenses | | | | |
| Locally Raised Funds | 3 | 5,224 | 1,000 | 4,006 |
| Learning Resources | 4 | 417,492 | 415,713 | 329,370 |
| Administration | 5 | 52,929 | 47,240 | 45,034 |
| Finance Costs | | 156 | - | 349 |
| Property | 6 | 135,652 | 130,733 | 121,894 |
| Depreciation | 7 | 14,607 | 14,000 | 15,004 |
| | | <u>626,060</u> | <u>608,686</u> | <u>515,657</u> |
| Net Surplus / (Deficit) | | 23,855 | 22,667 | 3,611 |
| Other Comprehensive Revenue and Expenses | | - | - | - |
| Total Comprehensive Revenue and Expense for the Year | | <u>23,855</u> | <u>22,667</u> | <u>3,611</u> |

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



Arowhenua Maori 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 | 146,028 | 146,028 | 142,417 |
| Total comprehensive revenue and expense for the year | 23,855 | 22,667 | 3,611 |
| Capital Contributions from the Ministry of Education | | | |
| Contribution - Furniture and Equipment Grant | 645 | - | - |
| Equity at 31 December | 170,528 | 168,695 | 146,028 |
| Retained Earnings | 170,528 | 168,695 | 146,028 |
| Reserves | | | |
| Equity at 31 December | 170,528 | 168,695 | 146,028 |

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



Arowhenua Maori 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 | 2,680 | 12,520 | 19,852 |
| Accounts Receivable | 9 | 28,225 | 21,236 | 20,356 |
| Prepayments | | 4,995 | 3,000 | 3,065 |
| Investments | 10 | 95,000 | 80,000 | 60,000 |
| | | <u>130,900</u> | <u>116,756</u> | <u>103,273</u> |
| Current Liabilities | | | | |
| GST Payable | | 4,632 | - | 5,308 |
| Accounts Payable | 12 | 27,936 | 26,836 | 26,556 |
| Finance Lease Liability - Current Portion | 14 | 3,999 | - | 6,060 |
| Funds held for Capital Works Projects | 15 | - | - | 2,275 |
| | | <u>36,567</u> | <u>26,836</u> | <u>40,199</u> |
| Working Capital Surplus/(Deficit) | | 94,333 | 89,920 | 63,074 |
| Non-current Assets | | | | |
| Property, Plant and Equipment | 11 | 87,583 | 90,000 | 96,596 |
| | | <u>87,583</u> | <u>90,000</u> | <u>96,596</u> |
| Non-current Liabilities | | | | |
| Provision for Cyclical Maintenance | 13 | 10,470 | 11,225 | 8,725 |
| Finance Lease Liability | 14 | 918 | - | 4,917 |
| | | <u>11,388</u> | <u>11,225</u> | <u>13,642</u> |
| Net Assets | | <u>170,528</u> | <u>168,695</u> | <u>146,028</u> |
| Equity | | <u>170,528</u> | <u>168,695</u> | <u>146,028</u> |

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



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

| | | 2018 | 2018 | 2017 |
|---|----------|-----------------|-----------------|-----------------|
| | Notes | Actual | Budget | Actual |
| | | \$ | (Unaudited) | \$ |
| | | \$ | \$ | \$ |
| Cash flows from Operating Activities | | | | |
| Government Grants | | 174,045 | 162,960 | 144,934 |
| Locally Raised Funds | | 15,839 | 14,360 | 7,120 |
| Goods and Services Tax (net) | | (676) | - | 1,859 |
| Payments to Employees | | (61,172) | (58,013) | (55,693) |
| Payments to Suppliers | | (99,727) | (93,994) | (78,595) |
| Interest Paid | | (156) | - | (349) |
| Interest Received | | 2,959 | 2,000 | 2,660 |
| Net cash from / (to) the Operating Activities | | 31,112 | 27,313 | 21,936 |
| Cash flows from Investing Activities | | | | |
| Purchase of PPE (and Intangibles) | | (5,594) | (9,000) | (12,872) |
| Purchase of Investments | | (35,000) | (21,000) | (10,000) |
| Net cash from / (to) the Investing Activities | | (40,594) | (30,000) | (22,872) |
| Cash flows from Financing Activities | | | | |
| Furniture and Equipment Grant | | 645 | - | - |
| Finance Lease Payments | | (6,060) | - | (5,868) |
| Funds Administered on Behalf of Third Parties | | (2,275) | - | 5,830 |
| Net cash from Financing Activities | | (7,690) | - | (38) |
| Net increase/(decrease) in cash and cash equivalents | | (17,172) | (2,687) | (974) |
| Cash and cash equivalents at the beginning of the year | 8 | 19,852 | 15,207 | 20,826 |
| Cash and cash equivalents at the end of the year | 8 | 2,680 | 12,520 | 19,852 |

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.



Arowhenua Maori

Notes to the Financial Statements

1 Statement of Accounting Policies

For the year ended 31 December 2018

a) Reporting Entity

Arowhenua Maori 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.

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.



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 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.

The School has met the requirements of Schedule 6, Part 3, section 28 of the Education Amendment Act 2017 in relation to the acquisition of 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 \$500 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 – Crown | 40-50 years |
| Furniture and equipment | 10–20 years |
| Information and communication technology | 5-10 years |
| Leased assets held under a Finance Lease | 3-5 years |
| Library resources | 10 years |

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.

n) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

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 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).

p) 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.



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 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|----------------------------------|----------------------|-------------------------------------|----------------------|
| Operational grants | 153,781 | 150,000 | 134,231 |
| Teachers' salaries grants | 359,167 | 359,167 | 271,693 |
| Use of Land and Buildings grants | 92,866 | 92,866 | 91,878 |
| Other MoE Grants | 22,451 | 12,960 | 10,703 |
| Other government grants | - | - | - |
| | <u>628,265</u> | <u>614,993</u> | <u>508,505</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 | 6,420 | 5,000 | 2,171 |
| Fundraising | 1,517 | - | 584 |
| Other revenue | 9,360 | 9,360 | 4,660 |
| Trading | 1,009 | - | 504 |
| Activities | 113 | - | - |
| | <u>18,419</u> | <u>14,360</u> | <u>7,919</u> |
| Expenses | | | |
| Activities | - | - | 17 |
| Trading | 2,167 | - | 623 |
| Fundraising (costs of raising funds) | 1,877 | - | 998 |
| Other Locally Raised Funds Expenditure | 1,180 | 1,000 | 2,368 |
| | <u>5,224</u> | <u>1,000</u> | <u>4,006</u> |
| | <u>13,195</u> | <u>13,360</u> | <u>3,913</u> |

Surplus for the year Locally raised funds

4 Learning Resources

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|------------------------------|----------------------|-------------------------------------|----------------------|
| Curricular | 26,797 | 21,700 | 20,517 |
| Equipment repairs | 258 | 1,000 | - |
| Extra-curricular activities | 1,890 | 2,000 | 1,305 |
| Library resources | - | 500 | - |
| Employee benefits - salaries | 382,504 | 383,513 | 302,316 |
| Staff development | 6,043 | 7,000 | 5,232 |
| | <u>417,492</u> | <u>415,713</u> | <u>329,370</u> |

5 Administration

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|------------------------------|----------------------|-------------------------------------|----------------------|
| Audit Fee | 3,184 | 2,600 | 3,091 |
| Board of Trustees Fees | 3,665 | 4,000 | 4,585 |
| Board of Trustees Expenses | 8,049 | 1,000 | 7,298 |
| Communication | 2,798 | 2,700 | 3,259 |
| Consumables | 3,040 | 6,600 | 2,202 |
| Operating Lease | - | 700 | - |
| Other | 9,882 | 10,340 | 6,350 |
| Employee Benefits - Salaries | 19,220 | 16,000 | 15,578 |
| Insurance | 3,091 | 3,300 | 2,671 |
| | <u>52,929</u> | <u>47,240</u> | <u>45,034</u> |



6 Property

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Caretaking and Cleaning Consumables | 1,470 | 1,800 | 580 |
| Cyclical Maintenance Provision | 1,745 | 2,500 | 1,745 |
| Grounds | 5,560 | 3,000 | 6,578 |
| Heat, Light and Water | 9,602 | 6,000 | 7,263 |
| Rates | 2,650 | 3,400 | 1,323 |
| Repairs and Maintenance | 2,817 | 3,500 | 2,629 |
| Use of Land and Buildings - Non Integrated | 92,866 | 92,866 | 91,878 |
| Employee Benefits - Salaries | 18,942 | 17,667 | 9,898 |
| | <u>135,652</u> | <u>130,733</u> | <u>121,894</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 - Crown | 1,632 | 2,000 | 1,632 |
| Furniture and Equipment | 3,127 | 4,000 | 4,275 |
| Info and Comm Technology | 3,212 | 3,000 | 2,405 |
| Leased Assets | 5,897 | 4,000 | 5,897 |
| Library Resources | 739 | 1,000 | 795 |
| | <u>14,607</u> | <u>14,000</u> | <u>15,004</u> |

8 Cash and Cash Equivalents

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Cash on Hand | 200 | 200 | 200 |
| Bank Current Account | 2,480 | 12,320 | 19,652 |
| Bank Call Account | - | - | - |
| Net cash and cash equivalents and bank overdraft for Cash Flow Statement | <u>2,680</u> | <u>12,520</u> | <u>19,852</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 | 7,334 | 3,000 | 4,754 |
| Receivables from the Ministry of Education | 2,187 | - | - |
| Interest Receivable | 868 | 400 | 596 |
| Teacher Salaries Grant Receivable | 17,836 | 17,836 | 15,006 |
| | <u>28,225</u> | <u>21,236</u> | <u>20,356</u> |
| Receivables from Exchange Transactions | 8,202 | 3,400 | 5,350 |
| Receivables from Non-Exchange Transactions | 20,023 | 17,836 | 15,006 |
| | <u>28,225</u> | <u>21,236</u> | <u>20,356</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 | 95,000 | 80,000 | 60,000 |

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2018.

11 Property, Plant and Equipment

| | Opening Balance (NBV) \$ | Additions \$ | Disposals \$ | Impairment \$ | Depreciation \$ | Total (NBV) \$ |
|------------------------------------|--------------------------------|-----------------|-----------------|------------------|--------------------|-------------------|
| 2018 | | | | | | |
| Land - School | 5,100 | - | - | - | - | 5,100 |
| Building Improvements - Crown | 45,493 | - | - | - | (1,632) | 43,862 |
| Furniture and Equipment | 13,884 | 2,868 | - | - | (3,127) | 13,624 |
| Info and Comm Technology | 18,424 | 2,111 | - | - | (3,212) | 17,323 |
| Leased Assets | 11,085 | - | - | - | (5,897) | 5,188 |
| Library Resources | 2,610 | 614 | - | - | (739) | 2,486 |
| Balance at 31 December 2018 | 96,596 | 5,593 | - | - | (14,607) | 87,583 |

Accumulated Depreciation

| | Cost or Valuation \$ | Accumulated Depreciation \$ | Net Book Value \$ |
|------------------------------------|----------------------------|-----------------------------------|-------------------------|
| 2018 | | | |
| Land - School | 5,100 | - | 5,100 |
| Building Improvements - Crown | 65,489 | (21,627) | 43,862 |
| Furniture and Equipment | 83,862 | (70,238) | 13,624 |
| Info and Comm Technology | 58,997 | (41,674) | 17,323 |
| Leased Assets | 25,035 | (19,847) | 5,188 |
| Library Resources | 30,176 | (27,690) | 2,486 |
| Balance at 31 December 2018 | 268,659 | (181,076) | 87,583 |

| | Opening Balance (NBV) \$ | Additions \$ | Disposals \$ | Impairment \$ | Depreciation \$ | Total (NBV) \$ |
|------------------------------------|--------------------------------|-----------------|-----------------|------------------|--------------------|-------------------|
| 2017 | | | | | | |
| Land - School | 5,100 | - | - | - | - | 5,100 |
| Building Improvements - Crown | 47,125 | - | - | - | (1,632) | 45,493 |
| Furniture and Equipment | 20,899 | - | - | - | (4,275) | 16,624 |
| Info and Comm Technology | 5,591 | 12,499 | - | - | (2,405) | 15,684 |
| Leased Assets | 16,982 | - | - | - | (5,897) | 11,085 |
| Library Resources | 3,031 | 374 | - | - | (795) | 2,610 |
| Balance at 31 December 2017 | 98,728 | 12,873 | - | - | (15,004) | 96,596 |

Accumulated Depreciation

| | Cost or Valuation \$ | Accumulated Depreciation \$ | Net Book Value \$ |
|------------------------------------|----------------------------|-----------------------------------|-------------------------|
| 2017 | | | |
| Land - School | 5,100 | - | 5,100 |
| Building Improvements - Crown | 65,489 | (19,996) | 45,493 |
| Furniture and Equipment | 80,995 | (67,111) | 13,884 |
| Info and Comm Technology | 56,886 | (38,462) | 18,424 |
| Leased Assets | 25,035 | (13,950) | 11,085 |
| Library Resources | 29,562 | (26,952) | 2,610 |
| Balance at 31 December 2017 | 263,067 | (166,471) | 96,596 |



12 Accounts Payable

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Operating creditors | 4,633 | 5,000 | 5,269 |
| Accruals | 4,734 | 4,000 | 5,875 |
| Banking staffing overuse | - | - | - |
| Employee Entitlements - salaries | 17,836 | 17,836 | 15,006 |
| Employee Entitlements - leave accrual | 733 | - | 406 |
| | <u>27,936</u> | <u>26,836</u> | <u>26,556</u> |
| Payables for Exchange Transactions | 27,936 | 26,836 | 26,556 |
| Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates) | | | |
| Payables for Non-exchange Transactions - Other | | | |
| | <u>27,936</u> | <u>26,836</u> | <u>26,556</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 | 8,725 | 8,725 | 6,980 |
| Increase to the Provision During the Year | 1,745 | 2,500 | 1,745 |
| Adjustment to the Provision | - | - | - |
| Use of the Provision During the Year | - | - | - |
| Provision at the End of the Year | <u>10,470</u> | <u>11,225</u> | <u>8,725</u> |
| Cyclical Maintenance - Current | - | - | - |
| Cyclical Maintenance - Term | 10,470 | 11,225 | 8,725 |
| | <u>10,470</u> | <u>11,225</u> | <u>8,725</u> |

14 Finance Lease Liability

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

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| No Later than One Year | 3,999 | - | 6,060 |
| Later than One Year and no Later than Five Years | 918 | - | 4,917 |
| | <u>4,917</u> | <u>-</u> | <u>10,977</u> |



15 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 Contribution/ (Write-off to R&M) | Closing Balances |
|----------------------|------------------|------------------|-------------------|----------|--------------------------------------|------------------|
| | | \$ | \$ | \$ | \$ | \$ |
| Special Needs Toilet | <i>completed</i> | 2,275 | - | 2,275 | - | - |
| Totals | | 2,275 | - | 2,275 | - | - |

Represented by:

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

-

| | 2017 | Opening Balances | Receipts from MoE | Payments | BOT Contribution/ (Write-off to R&M) | Closing Balances |
|----------------------|--------------------|------------------|-------------------|----------|--------------------------------------|------------------|
| | | \$ | \$ | \$ | \$ | \$ |
| Water tank removal | <i>completed</i> | (3,555) | 5,847 | (2,292) | - | - |
| Special Needs Toilet | <i>in progress</i> | | 99,458 | (97,183) | - | 2,275 |
| Totals | | (3,555) | 105,305 | (99,475) | - | 2,275 |

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, Principal, Deputy Principals and Heads of Departments.

| | 2018 Actual \$ | 2017 Actual \$ |
|---|-------------------------------|-------------------------------|
| <i>Board Members</i> | | |
| Remuneration | 3,665 | 4,585 |
| Full-time equivalent members | 0.10 | 0.10 |
| <i>Leadership Team</i> | | |
| Remuneration | 102,482 | 101,882 |
| Full-time equivalent members | 1.00 | 1.00 |
| Total key management personnel remuneration | <u>106,147</u> | <u>106,467</u> |
| Total full-time equivalent personnel | <u>1.10</u> | <u>1.10</u> |

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

Principal

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

| | 2018 Actual \$000 | 2017 Actual \$000 |
|--|----------------------------------|----------------------------------|
| Salaries and Other Short-term Employee Benefits: | | |
| Salary and Other Payments | 100-110 | 100-110 |
| Benefits and Other Emoluments | | |
| 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 |
|-----------------------|--------------------|--------------------|
| 0 | 0.00 | 0.00 |
| | <u>0.00</u> | <u>0.00</u> |

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 \$10,000 | 2017 Actual \$10,000 |
|------------------|-------------------------------------|-------------------------------------|
| Total | | |
| Number of People | 1 | 1 |



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).

20 Commitments

(a) Capital Commitments

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

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December 2018 the Board has entered into no contracts:

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 | 2,680 | 12,520 | 19,852 |
| Receivables | 28,225 | 21,236 | 20,356 |
| Investments - Term Deposits | 95,000 | 80,000 | 60,000 |
| Total Loans and Receivables | 125,905 | 113,756 | 100,208 |

Financial liabilities measured at amortised cost

| | | | |
|---|---------------|---------------|---------------|
| Payables | 27,936 | 26,836 | 26,556 |
| Finance Leases | 4,917 | - | 10,977 |
| Total Financial Liabilities Measured at Amortised Cost | 32,853 | 26,836 | 37,533 |

23 Events After Balance Date

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

Holidays Act Compliance - schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards to 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.

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

