

# **PINE HILL SCHOOL**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

School Address:	11 Hislop Street Pine Hill, Dunedin
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Ministry Number:	3801

# PINE HILL SCHOOL

Financial Statements - For the year ended 31 December 2017

## Index

<b>Page</b>	<b>Statement</b>
<u>1</u>	Statement of Responsibility
<u>2</u>	Statement of Comprehensive Revenue and Expense
<u>3</u>	Statement of Changes in Net Assets/Equity
<u>4</u>	Statement of Financial Position
<u>5</u>	Statement of Cash Flows
<u>6 - 9</u>	Statement of Accounting Policies
<u>10 - 17</u>	Other Notes and Disclosures

# Pine Hill School

## Statement of Responsibility

For the year ended 31 December 2017

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

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

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

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

**Chris Burgess**

Full Name of Board Chairperson



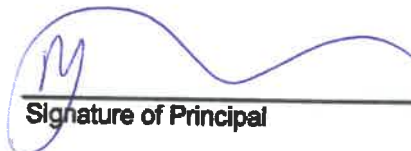
Signature of Board Chairperson

25/5/2018

Date:

Melissa Ward.

Full Name of Principal



Signature of Principal

25/5/2018.

Date:

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

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Revenue</b>				
Government Grants	2	386,739	112,236	458,572
Locally Raised Funds	3	13,052	8,200	19,512
Interest Earned		1,141	250	1,128
		<u>400,932</u>	<u>120,686</u>	<u>479,213</u>
<b>Expenses</b>				
Locally Raised Funds	3	7,805	1,100	7,242
Learning Resources	4	195,483	47,946	280,165
Administration	5	43,906	44,197	42,937
Finance Costs		1,056	-	1,160
Property	6	140,498	36,840	180,739
Depreciation	7	15,081	6,103	15,318
Loss on Disposal of Property, Plant and Equipment		-	-	427
		<u>403,829</u>	<u>136,186</u>	<u>527,988</u>
<b>Net Surplus / (Deficit)</b>		(2,897)	(15,500)	(48,775)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(2,897)</u>	<u>(15,500)</u>	<u>(48,775)</u>

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

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

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
<b>Balance at 1 January</b>	<u>67,293</u>	<u>67,295</u>	<u>114,679</u>
Total comprehensive revenue and expense for the year	(2,897)	(15,500)	(48,775)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	1,390
<b>Equity at 31 December</b>	<u>64,396</u>	<u>51,795</u>	<u>67,293</u>
Retained Earnings	64,396	51,795	67,293
<b>Equity at 31 December</b>	<u>64,396</u>	<u>51,795</u>	<u>67,293</u>

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

**Pine Hill School**  
**Statement of Financial Position**  
As at 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	75,175	61,095	110,682
Accounts Receivable	9	13,559	8,871	8,871
GST Receivable		5,126	-	-
Prepayments		6,213	5,429	5,429
		<u>100,073</u>	<u>75,396</u>	<u>124,983</u>
<b>Current Liabilities</b>				
GST Payable		-	925	925
Accounts Payable	11	23,646	18,410	18,410
Revenue Received in Advance	12	77	(455)	(455)
Provision for Cyclical Maintenance	13	6,300	-	-
Finance Lease Liability - Current Portion	14	3,957	3,805	3,805
Funds held for Capital Works Projects	15	150	150	35,983
		<u>34,130</u>	<u>22,835</u>	<u>58,668</u>
<b>Working Capital Surplus/(Deficit)</b>		65,943	52,561	66,315
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	53,172	45,023	46,768
		<u>53,172</u>	<u>45,023</u>	<u>46,768</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	40,600	38,636	38,636
Finance Lease Liability	14	14,119	7,154	7,154
		<u>54,719</u>	<u>45,790</u>	<u>45,790</u>
<b>Net Assets</b>		<u>64,396</u>	<u>51,795</u>	<u>67,293</u>
<b>Equity</b>		<u>64,396</u>	<u>51,795</u>	<u>67,293</u>

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

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

	Note	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		121,056	112,236	138,462
Locally Raised Funds		12,420	8,200	19,119
Goods and Services Tax (net)		(6,047)	-	3,130
Payments to Employees		(47,722)	(59,758)	(62,189)
Payments to Suppliers		(66,085)	(70,323)	(123,648)
Interest Paid		(1,056)	-	(1,160)
Interest Received		970	250	1,127
<b>Net cash from / (to) the Operating Activities</b>		<b>13,536</b>	<b>(9,395)</b>	<b>(25,158)</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		-	-	(427)
Purchase of PPE (and Intangibles)		(16,521)	(4,359)	(10,401)
<b>Net cash from / (to) the Investing Activities</b>		<b>(16,521)</b>	<b>(4,359)</b>	<b>(10,828)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	1,390
Finance Lease Payments		3,312	-	(2,675)
Funds Administered on Behalf of Third Parties		(35,834)	(35,834)	35,983
<b>Net cash from Financing Activities</b>		<b>(32,522)</b>	<b>(35,834)</b>	<b>34,698</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(35,507)</b>	<b>(49,588)</b>	<b>(1,289)</b>
Cash and cash equivalents at the beginning of the year	8	110,682	110,682	111,971
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>75,176</b>	<b>61,095</b>	<b>110,682</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 omitted.

# Pine Hill School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2017

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.



### **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) 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 – Crown	6–10 years
Furniture and equipment	5–10 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	3–5 years
Library resources	12.5% Diminishing value

#### **j) 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.

**k) 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.

**l) 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.

**m) Revenue Received in Advance**

Revenue received in advance relates to fees 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.

**n) 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).

**o) 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.

**p) 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.

**q) Budget Figures**

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

**r) Services received in-kind**

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

## 2. Government Grants

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational grants	93,550	91,915	98,875
Teachers' salaries grants	166,428	-	229,220
Use of Land and Buildings grants	98,446	-	90,890
Resource teachers learning and behaviour grants	23,234	20,040	27,006
Other MoE Grants	1,900	-	-
Other government grants	3,181	281	12,582
	<b>386,739</b>	<b>112,236</b>	<b>458,572</b>

## 3. Locally Raised Funds

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Revenue</b>			
Donations	7,281	5,400	12,440
Fundraising	83	-	-
Other revenue	-	-	1,702
Trading	3,511	2,800	1,438
Activities	2,177	-	3,932
	<b>13,052</b>	<b>8,200</b>	<b>19,512</b>
<b>Expenses</b>			
Activities	2,219	750	1,060
Trading	5,586	350	6,182
	<b>7,805</b>	<b>1,100</b>	<b>7,242</b>
<b>Surplus for the year Locally raised funds</b>	<b>5,247</b>	<b>7,100</b>	<b>12,270</b>

## 4. Learning Resources

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Curricular	1,516	2,511	2,443
Information and communication technology	1,775	1,500	877
Library resources	190	190	159
Employee benefits - salaries	178,287	22,000	239,827
Resource/attached teacher costs	13,005	20,010	32,557
Staff development	710	1,735	4,301
	<b>195,483</b>	<b>47,946</b>	<b>280,165</b>

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**5. Administration**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Audit Fee	2,670	2,670	2,630
Board of Trustees Fees	3,105	3,240	3,055
Board of Trustees Expenses	2,448	1,850	2,535
Communication	1,835	1,400	1,401
Consumables	5,619	3,149	4,257
Operating Lease	2,121	5,930	3,679
Other	2,247	3,035	3,130
Employee Benefits - Salaries	13,806	11,000	12,248
Insurance	5,550	7,291	5,297
Service Providers, Contractors and Consultancy	4,505	4,632	4,705
	<u>43,906</u>	<u>44,197</u>	<u>42,937</u>

**6. Property**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Caretaking and Cleaning Consumables	2,147	1,450	1,668
Consultancy and Contract Services	7,737	8,000	15,677
Cyclical Maintenance Provision	8,264	7,000	49,407
Grounds	1,020	820	1,037
Heat, Light and Water	6,072	6,000	6,706
Rates	2,493	3,000	2,554
Repairs and Maintenance	7,246	3,320	5,034
Use of Land and Buildings	98,446	-	90,890
Security	777	500	534
Employee Benefits - Salaries	6,296	6,750	7,233
	<u>140,498</u>	<u>36,840</u>	<u>180,739</u>

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

**7. Depreciation of Property, Plant and Equipment**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Building Improvements - Crown	3,051	2,000	4,823
Furniture and Equipment	366	1,000	469
Information and Communication Technology	7,140	2,000	6,591
Leased Assets	3,504	1,000	2,675
Library Resources	1,020	103	760
	<u>15,081</u>	<u>6,103</u>	<u>15,318</u>

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**8. Cash and Cash Equivalents**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash on Hand	200	200	200
Bank Current Account	11,460	14,855	14,855
Bank Call Account	3,515	46,040	95,627
Short-term Bank Deposits	60,000	-	-
<b>Net cash and cash equivalents and bank overdraft for Cash Flow Statement</b>	<b>75,175</b>	<b>61,095</b>	<b>110,682</b>

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

**9. Accounts Receivable**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Interest Receivable	177	5	5
Teacher Salaries Grant Receivable	13,382	8,866	8,866
	<b>13,559</b>	<b>8,871</b>	<b>8,871</b>
Receivables from Exchange Transactions	177	5	5
Receivables from Non-Exchange Transactions	13,382	8,866	8,866
	<b>13,559</b>	<b>8,871</b>	<b>8,871</b>

**10. Property, Plant and Equipment**

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2017</b>						
Building Improvements	11,335				(3,051)	8,284
Furniture and Equipment	663				(366)	297
Information and Communication	15,679	9,388	-		(7,140)	17,927
Leased Assets	10,960	16,134	(5,513)		(3,504)	18,077
Library Resources	8,131	1,480	(4)		(1,020)	8,587
<b>Balance at 31 December 2017</b>	<b>46,768</b>	<b>27,002</b>	<b>(5,517)</b>	<b>-</b>	<b>(15,081)</b>	<b>53,172</b>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
<b>2017</b>			
Building Improvements	100,580	(92,296)	8,284
Furniture and Equipment	66,237	(65,940)	297
Information and Communication	60,634	(42,707)	17,927
Leased Assets	19,589	(1,512)	18,077
Library Resources	37,804	(29,217)	8,587
<b>Balance at 31 December 2017</b>	<b>284,844</b>	<b>(231,672)</b>	<b>53,172</b>

**10. Property, Plant and Equipment cont ....**

2016	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	16,158				(4,823)	11,335
Furniture and Equipment	1,132				(469)	663
Information and Communication Technology	14,699	7,825	(254)		(6,591)	15,679
Leased Assets	10,180	3,455			(2,675)	10,960
Library Resources	6,063	3,001	(173)		(760)	8,131
<b>Balance at 31 December 2016</b>	<b>48,232</b>	<b>14,281</b>	<b>(427)</b>	<b>-</b>	<b>(15,318)</b>	<b>46,768</b>

**Accumulated Depreciation**

2016	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	100,580	(89,245)	11,335
Furniture and Equipment	66,237	(65,574)	663
Information and Communication Technology	51,246	(35,567)	15,679
Leased Assets	15,783	(4,823)	10,960
Library Resources	36,340	(28,209)	8,131
<b>Balance at 31 December 2016</b>	<b>270,186</b>	<b>(223,419)</b>	<b>46,768</b>

**11. Accounts Payable**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	12,563	7,966	7,966
Accruals	-	1,121	1,121
Employee Entitlements - salaries	11,083	9,323	9,323
	<b>23,646</b>	<b>18,410</b>	<b>18,410</b>
Payables for Exchange Transactions	23,646	18,410	18,410
	<b>23,646</b>	<b>18,410</b>	<b>18,410</b>

The carrying value of payables approximates their fair value.

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## 12. Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Other	77	(455)	(455)
	<u>77</u>	<u>(455)</u>	<u>(455)</u>

## 13. Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	38,636	38,636	36,100
Increase to the Provision During the Year	8,264	7,000	49,407
Use of the Provision During the Year	-	(7,000)	(46,871)
Provision at the End of the Year	<u>46,900</u>	<u>38,636</u>	<u>38,636</u>
Cyclical Maintenance - Current	6,300	-	-
Cyclical Maintenance - Term	40,600	38,636	38,636
	<u>46,900</u>	<u>38,636</u>	<u>38,636</u>

## 14. Finance Lease Liability

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	3,958	3,805	3,805
Later than One Year and no Later than Five Years	14,119	7,154	7,154
	<u>18,077</u>	<u>10,959</u>	<u>10,959</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:

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Heat Pump Replacement Project	<i>completed</i>	(150)	-	-	-	150
MOE Admin Leak Repairs	<i>completed</i>	-	2,510	2,510	-	-
New Hall Roof	<i>completed</i>	(35,834)	1,949	37,783	-	-
Totals		<u>(35,984)</u>	<u>4,459</u>	<u>40,293</u>	<u>-</u>	<u>150</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	150
Funds Due from the Ministry of Education	-
	<u>150</u>

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## 15. Funds Held for Capital Works Projects cont ....

	2016	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Heat Pump Replacement Project	<i>in progress</i>	-	9,646	9,496	-	150
New Hall Roof	<i>in progress</i>	-	35,834	-	-	35,834
<b>Totals</b>		<b>-</b>	<b>45,480</b>	<b>9,496</b>	<b>-</b>	<b>35,984</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	35,984
Funds Due from the Ministry of Education	-
	<u>35,984</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, Principal, Deputy Principals and Heads of Departments.

	2017 Actual	2016 Actual
	\$	\$
<b>Board Members</b>		
Remuneration	3,105	3,055
Full-time equivalent members	0.04	0.07
<b>Leadership Team</b>		
Remuneration	75,653	100,914
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	<u>78,758</u>	<u>103,969</u>
Total full-time equivalent personnel	<u>1.04</u>	<u>1.07</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.

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## 17. Remuneration cont .....

### Principal

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

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	70-80	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:

Remuneration \$000	2017 FTE Number	2016 FTE Number
0	0.00	0.00
0	-	0.00
	<u>0.00</u>	<u>0.00</u>

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

## 18. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at **31 December 2017** (Contingent liabilities and assets at **31 December 2016**: nil).

## 19. Commitments

### (a) Capital Commitments

As at 31 December 2017 the Board has not entered into contract agreements for capital works :

(Capital commitments at 31 December 2016: nil)

### (b) Operating Commitments

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

#### (a) operating lease laptops

	2017 Actual \$	2016 Actual \$
No later than One Year	-	981
Later than One Year and No Later than Five Years	-	-
	<u>-</u>	<u>981</u>

## 20. 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.

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## 21. Financial Instruments

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

### Loans and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	75,175	61,095	110,682
Receivables	13,559	8,871	8,871
Total Cash and Receivables	<u>88,735</u>	<u>69,966</u>	<u>119,553</u>

### Financial liabilities measured at amortised cost

Payables	23,646	18,410	18,410
Finance Leases	18,077	10,959	10,959
Total Financial Liabilities Measured at Amortised Cost	<u>41,723</u>	<u>29,369</u>	<u>29,369</u>

## 22. Events After Balance Date

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

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