

MATARAU SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

School Address:	Matarau Road, R D 1, Kamo, Whangarei
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MATARAU SCHOOL

Financial Statements - For the year ended 31 December 2016

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Matarau School

Statement of Responsibility

For the year ended 31 December 2016

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 2016 fairly reflects the financial position and operations of the school.

The School's 2016 financial statements are authorised for issue by the Board.

Full Name of Board Chairperson

Full Name of Principal

Signature of Board Chairperson

Signature of Principal

Date:

Date:

Matarau School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue				
Government Grants	2	1,942,232	1,806,272	1,803,127
Locally Raised Funds	3	125,370	93,650	116,910
Interest Earned		3,555	3,000	5,411
International Students	4	92,878	70,000	64,057
Other Revenue		11,798	90,000	-
		<hr/>	<hr/>	<hr/>
		2,175,833	2,062,922	1,989,505
Expenses				
Locally Raised Funds	3	52,733	127,950	24,511
International Students	4	11,684	8,000	9,295
Learning Resources	5	1,504,853	1,504,852	1,346,077
Administration	6	93,177	63,300	204,091
Finance Costs		142	-	2,449
Property	7	470,900	320,770	308,220
Depreciation	8	64,498	62,000	56,823
Loss on Disposal of Property, Plant and Equipment		2,452	-	-
		<hr/>	<hr/>	<hr/>
		2,200,439	2,086,872	1,951,466
Net Surplus / (Deficit)		(24,606)	(23,950)	38,039
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/>	<hr/>	<hr/>
		(24,606)	(23,950)	38,039

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

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

For the year ended 31 December 2016

	Actual 2016 \$	Budget (Unaudited) 2016 \$	Actual 2015 \$
Balance at 1 January	590,566	557,597	552,527
Total comprehensive revenue and expense for the year	(24,606)	(23,950)	38,039
Capital Contributions from the Ministry of Education			
Equity at 31 December	565,960	533,647	590,566
Retained Earnings	565,960	533,647	590,566
Reserves	-	-	-
Equity at 31 December	565,960	533,647	590,566

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

Matarau School

Statement of Financial Position

As at 31 December 2016

		2016	2016	2015
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	9	66,042	231,436	161,044
Accounts Receivable	10	84,975	116,213	116,213
GST Receivable		5,076	8,249	8,249
Prepayments		3,150	5,900	5,900
Inventories	11	5,302	5,402	5,402
Investments	12	48,449	-	-
		212,994	367,200	296,808
Current Liabilities				
Accounts Payable	14	101,674	122,939	122,939
Borrowings - Due in one year	15	6,300	6,300	6,300
Provision for Cyclical Maintenance	16	8,786	-	-
Finance Lease Liability - Current Portion	17	1,254	-	-
Funds held for Capital Works Projects	18	-	61,768	61,768
		118,014	191,007	191,007
Working Capital Surplus/(Deficit)		94,980	176,193	105,801
Non-current Assets				
Property, Plant and Equipment	13	518,824	405,363	532,674
		518,824	405,363	532,674
Non-current Liabilities				
Borrowings - Due beyond one year	15	23,285	29,844	29,844
Provision for Cyclical Maintenance	16	22,401	18,065	18,065
Finance Lease Liability	17	2,158	-	-
		47,844	47,909	47,909
Net Assets		565,960	533,647	590,566
Equity		565,960	533,647	590,566

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

Matarau School

Statement of Cash Flows

For the year ended 31 December 2016

		2016	2016	2015
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		431,458	424,000	551,349
Locally Raised Funds		152,333	181,054	113,618
International Students		92,878	70,000	64,057
Goods and Services Tax (net)		3,173	751	1,902
Payments to Employees		(337,134)	(262,279)	(297,022)
Payments to Suppliers		(274,738)	(381,195)	(357,602)
Interest Paid		(142)	-	(2,449)
Interest Received		3,634	3,094	5,519
Net cash from / (to) the Operating Activities		71,462	35,425	79,372
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(31,703)	-	
Purchase of PPE (and Intangibles)		(17,448)	-	(66,134)
Purchase of Investments		(48,449)	-	
Net cash from / (to) the Investing Activities		(97,600)	-	(66,134)
Cash flows from Financing Activities				
Finance Lease Payments		(537)	-	-
Painting contract payments		-	-	-
Loans Received/ Repayment of Loans		(6,559)	49	(6,037)
Funds Administered on Behalf of Third Parties		(61,768)	61,268	61,768
Net cash from Financing Activities		(68,864)	61,317	55,731
Net increase/(decrease) in cash and cash equivalents		(95,002)	96,742	68,969
Cash and cash equivalents at the beginning of the year	9	161,044	134,694	92,075
Cash and cash equivalents at the end of the year	9	66,042	231,436	161,044

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.

Matarau School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2016

a) Reporting Entity

Matarau 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 2016 to 31 December 2016 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 13.

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 16.

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.

For Non-integrated schools only:

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.

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 bank term deposits are measured at amortised cost using the effective interest method less impairment.

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 under section 73 of the Education Act 1989 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 \$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	5-40 years
Furniture and equipment	5-20 years
Information and communication technology	5-10 years
Plant and Machinery	5-20 years
Sports Equipment	5-10 years
Leased assets held under a Finance Lease	3-7 years
Library resources	12.5% Diminishing value

l) 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.

m) 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.

n) 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.

o) Revenue Received in Advance

Revenue received in advance relates to fees received from [international 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.

p) 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.

q) Shared Funds

Shared Funds are held on behalf of participating schools within a cluster of schools. The School holds sufficient funds to enable the funds to be used for their intended purpose.

r) 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).

s) 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.

t) 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.

u) 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.

v) Budget Figures

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

w) 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.

x) Comparatives

Prior year comparatives have been reclassified for consistency with the current year.

2. Government Grants

	2016	2016 Budget	2015
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational grants	373,501	424,000	310,021
Teachers' salaries grants	1,182,202	1,182,202	1,059,651
Use of Land and Buildings grants	317,925	200,070	192,127
Resource teachers learning and behaviour grants	344	-	-
Other MoE Grants	35,660	-	214,948
Other government grants	32,600	-	26,380
	1,942,232	1,806,272	1,803,127

3. Locally Raised Funds

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

	2016	2016 Budget	2015
	Actual	(Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	30,063	32,000	33,800
Fundraising	7,802	21,000	31,121
Other revenue	-	500	-
Trading	5,183	5,550	17,618
Activities	80,626	31,100	34,371
Curriculum Recoveries	1,696	3,500	-
	125,370	93,650	116,910
Expenses			
Activities	44,713	37,400	7,671
Trading	3,850	5,550	16,840
Fundraising (costs of raising funds)	4,170	5,000	-
Transport (local)	-	80,000	-
	52,733	127,950	24,511
<i>Surplus for the year Locally raised funds</i>	72,637	(34,300)	92,399

International Student Roll

5. Learning Resources

6. Administration

Matarau School Annual Report and Financial Statements

7. Property

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	2,657	1,500	30,319
Consultancy and Contract Services	30,973	42,000	-
Cyclical Maintenance Provision	13,122	5,000	2,947
Grounds	22,760	11,000	13,556
Heat, Light and Water	17,759	17,500	18,418
Rates	251	-	246
Repairs and Maintenance	29,378	7,200	11,553
Use of Land and Buildings	317,925	200,070	192,127
Security	2,578	1,500	1,318
Employee Benefits - Salaries	33,497	35,000	37,736
	470,900	320,770	308,220

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.

For the 30 June 2016 valuation the Ministry of Education continued to revise its valuation methodology which has improved the accuracy of the valuations of school land and buildings. This has resulted in a significant movement in the use of land and buildings charge for the 2016 year. The improvements in the methodology will be carried forward into future revaluations.

8. Depreciation of Property, Plant and Equipment

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	11,296	26,703	24,146
Furniture and Equipment	10,248	8,750	7,733
Information and Communication Technology	34,524	18,000	17,131
Plant and Machinery	1,888	2,047	2,047
Sports Equipment	2,220	2,000	2,017
Leased Assets	658	-	-
Library Resources	3,664	4,500	3,749
	64,498	62,000	56,823

9. Cash and Cash Equivalents

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	-	-	-
Bank Current Account	51,350	131,436	63,958
Bank Call Account	14,692	50,000	50,190
Short-term Bank Deposits	-	50,000	46,896
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	66,042	231,436	161,044

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

10. Accounts Receivable

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Receivables	10,131	25,296	25,296
Receivables from the Ministry of Education	10,647	-	-
Interest Receivable	127	206	206
Teacher Salaries Grant Receivable	64,070	90,711	90,711
	<u>84,975</u>	<u>116,213</u>	<u>116,213</u>
Receivables from Exchange Transactions	10,258	25,502	25,502
Receivables from Non-Exchange Transactions	74,717	90,711	90,711
	<u>84,975</u>	<u>116,213</u>	<u>116,213</u>

11. Inventories

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Stationery	3,075	2,712	2,712
School Uniforms	2,227	2,690	2,690
	<u>5,302</u>	<u>5,402</u>	<u>5,402</u>

12. Investments

The School's investment activities are classified as follows:

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Current Asset			
Short-term Bank Deposits	48,449	-	-

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2016.

13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Land	-				-	-
Buildings	345,479	7,784	(352)	-	(11,296)	341,615
Furniture and Equipment	46,293	13,981	(1,834)	-	(10,248)	48,192
Information and Communication	92,411	20,768	(3)	-	(34,524)	78,652
Plant and Machinery	2,263	3,549	(266)	-	(1,888)	3,658
Sports Equipment	19,983	-	-	-	(2,220)	17,763
Leased Assets	-	3,949	-	-	(658)	3,291
Library Resources	26,245	3,072	-	-	(3,664)	25,653
Balance at 31 December 2016	532,674	53,103	(2,455)	-	(64,498)	518,824

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Land	-	-	-
Buildings	546,596	(204,981)	341,615
Furniture and Equipment	100,127	(51,933)	48,194
Information and Communication	170,597	(91,946)	78,651
Plant and Machinery	20,962	(17,305)	3,657
Sports Equipment	22,000	(4,237)	17,763
Leased Assets	3,949	(658)	3,291
Library Resources	78,805	(53,152)	25,653
Balance at 31 December 2016	943,036	(424,212)	518,824

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2015	\$	\$	\$	\$	\$	\$
Buildings	369,625		-	-	(24,146)	345,479
Furniture and Equipment	46,856	7,170	-	-	(7,733)	46,293
Information and Communication	78,091	31,451	-	-	(17,131)	92,411
Technology						
Plant and Machinery	4,310	-	-	-	(2,047)	2,263
Sports Equipment	-	22,000	-	-	(2,017)	19,983
Library Resources	24,483	5,511	-	-	(3,749)	26,245
Balance at 31 December 2015	523,365	66,132	-	-	(56,823)	532,674

Accumulated Depreciation

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2015			
Buildings	636,238	(290,759)	345,479
Furniture and Equipment	156,983	(110,690)	46,293
Information and Communication Technology	291,134	(198,723)	92,411
Plant and Machinery	46,931	(44,668)	2,263
Sports Equipment	89,185	(69,202)	19,983
Library Resources	75,732	(49,487)	26,245
Balance at 31 December 2015	1,296,203	(763,529)	532,674

14. Accounts Payable

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Operating creditors	13,983	13,080	13,080
Accruals	9,597	4,927	4,927
Employee Entitlements - salaries	74,357	90,711	90,711
Employee Entitlements - leave accrual	3,737	14,221	14,221
	101,674	122,939	122,939
Payables for Exchange Transactions	101,674	122,939	122,939
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	101,674	122,939	122,939

The carrying value of payables approximates their fair value.

15. Borrowings

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Due in One Year	6,300	6,300	6,300
Due Beyond One Year	23,285	29,844	29,844
	29,585	36,144	36,144

The school has borrowings at 31 December 2016 of \$29,585 (31 December 2015 \$36,144). This loan is from the ASB Bank for the purpose of the building of a classroom. The loan is unsecured and is repayable by monthly principal and interest instalments of \$1123.28.

16. Provision for Cyclical Maintenance

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Provision at the Start of the Year	18,065	18,065	21,000
Increase to the Provision During the Year	13,122	5,000	2,947
Adjustment to the Provision	-	(5,000)	(5,882)
Provision at the End of the Year	31,187	18,065	18,065
Cyclical Maintenance - Current	8,786	-	-
Cyclical Maintenance - Term	22,401	18,065	18,065
	31,187	18,065	18,065

17. Finance Lease Liability

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

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
No Later than One Year	1,254	-	-
Later than One Year and no Later than Five Years	2,158	-	-
Later than Five Years	-	-	-
	3,412	-	-

18. 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:

	2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Pool Changing Shed	<i>completed</i>	(7,784)	7,784	-	-	-
Room 11 Upgrade	<i>completed</i>	(995)	60,850	59,855	-	-
Block 3 Project	<i>completed</i>	70,547	5,190	75,737	-	-
Totals		61,768	73,824	135,592	-	-

Represented by:

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

-
-

	2015	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Pool Changing Shed	<i>in progress</i>	-	780	8,564	-	(7,784)
Room 11 Upgrade	<i>in progress</i>	-	-	995	-	(995)
Block 3 Project	<i>in progress</i>	-	145,669	75,122	-	70,547
Totals		-	146,449	84,681	-	61,768

19. 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.

20. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy Principals and Heads of Departments.

	2016 Actual \$	2015 Actual \$
<i>Board Members</i>		
Remuneration	2,760	2,540
Full-time equivalent members	0.11	0.11
<i>Leadership Team</i>		
Remuneration	305,732	370,970
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	308,492	373,510
Total full-time equivalent personnel	3.11	3.11

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:

	2016 Actual \$000	2015 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130-140	120-130
Benefits and Other Emoluments	3-4	1-10
Termination Benefits	0	0

Other Employees

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

Remuneration \$000	2016 FTE Number	2015 FTE Number
100-120	0.00	0.00
100-110	0.00	0.00
	0.00	0.00

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

21. 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:

	2016 Actual	2015 Actual
Total	\$0	\$0
Number of People	0	0

22. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2016 (Contingent liabilities and assets at 31 December 2015: nil).

23. Commitments

(a) Capital Commitments

As at 31 December 2016 the Board has entered into contract agreements for capital works as follows:

(Capital commitments at 31 December 2015: nil)

(b) Operating Commitments

As at 31 December 2016 the Board has entered into the following contracts:

(a) operating leases of teacher laptops;

	2016 Actual \$	2015 Actual \$
No later than One Year	685	2,080
Later than One Year and No Later than Five Years	113	928
Later than Five Years	-	-
	<u>798</u>	<u>3,008</u>

24. 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.

25. Financial Instruments

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

Loans and receivables

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Cash and Cash Equivalents	66,042	231,436	161,044
Receivables	84,975	116,213	116,213
Investments - Term Deposits	48,449	-	-
Total Cash and Receivables	199,466	347,649	277,257

Financial liabilities measured at amortised cost

Payables	101,674	122,939	122,939
Borrowings - Loans	29,585	36,144	36,144
Finance Leases	3,412	-	-
Total Financial Liabilities Measured at Amortised Cost	134,671	159,083	159,083

26. Events After Balance Date

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

MEMBERS OF THE BOARD OF TRUSTEES

Name	Position	How position on Board gained	Term Expires
Kevin Trehwella	Principal	Appointed	
Rebecca Anderson	Parent Representative Chairperson	Elected	Jun-19
Mary Finlayson	Parent Representative	Elected	Jun-19
Leroy Lawrence	Parent Representative	Elected	Jun-19
Lisa Tito	Parent Representative	Elected	Jun-19
Jenny Wiegersma	Parent Representative	Elected	Jun-19
Simon Schuster	Staff Representative	Elected	Jun-19
Sharon Smith	Parent Representative	Elected	May-16
Steve Martin	Parent Representative	Elected	May-16
Michael Czamy	Parent Representative	Elected	May-16

Kiwisport Report

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2016 the school received total kiwisport funding of \$3,905 (2015:\$3,619) which was spent on travel to various sporting competitions and activities, sports equipment and resources for regular fitness sessions, lunchtime clubs and school sports teams