



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Ministry Number: 3449

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Members of the Board of Trustees For the year ended 31 December 2018

<u>Name</u>	<u>Position</u>	<u>How position gained</u>	<u>Term expires</u>
Robert Naysmith	Chairperson	Elected May 2016	May 2019
Sean Roscoe	Community Rep	Elected May 2016	May 2019
Cat Kincaid	Staff Rep	Appointed May 2016	May 2019
Sheena Boyce	Parent Rep	Elected May 2016	May 2019
Serretta Fisher-Van-Der Veen	Parent Rep	Elected May 2016	May 2019
Andrea Gorton	Parent Rep	Co-opted May 2017	May 2019
Justin Perriam	Principal		

89 Nazareth Avenue
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NORTHCOTE SCHOOL

Annual Report - For the year ended 31 December 2018

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Northcote 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.

Full Name of Board Chairperson

Full Name of Principal

Signature of Board Chairperson

Signature of Principal

Date:

Date:

Northcote 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	1,343,734	1,173,000	1,324,948
Locally Raised Funds	3	40,203	59,200	34,021
Interest Received		4,316	4,000	6,131
		<u>1,388,253</u>	<u>1,236,200</u>	<u>1,365,100</u>
Expenses				
Locally Raised Funds	3	8,204	2,750	9,246
Learning Resources	4	928,010	772,148	929,517
Administration	5	96,825	88,600	85,923
Finance Costs		604	-	660
Property	6	372,024	365,218	353,038
Depreciation	7	24,142	11,000	24,907
Loss on Disposal of Property, Plant and Equipment		1,206	-	277
		<u>1,431,016</u>	<u>1,239,716</u>	<u>1,403,567</u>
Net Surplus / (Deficit)		(42,763)	(3,516)	(38,467)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(42,763)</u>	<u>(3,516)</u>	<u>(38,467)</u>

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

Northcote 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	214,666	214,666	253,135
Total comprehensive revenue and expense for the year	(42,763)	(3,516)	(38,467)
Capital Contributions from the Ministry of Education	-	-	-
Contribution - Furniture and Equipment Grant	-	-	-
Equity at 31 December	171,903	211,150	214,666
Retained Earnings	171,903	211,150	214,666
Reserves	-	-	-
Equity at 31 December	171,903	211,150	214,666

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

Northcote School Statement of Financial Position

As at 31 December 2018

		2018	2018	2017
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	8	29,690	80,327	34,643
Accounts Receivable	9	52,786	50,600	31,242
GST Receivable		68	50	505
Prepayments		1,817	1,500	1,642
Inventories	10	2,493	2,400	1,976
Investments	11	90,000	90,000	126,925
		<u>176,854</u>	<u>224,877</u>	<u>196,932</u>
Current Liabilities				
Accounts Payable	13	58,936	58,000	39,036
Revenue Received in Advance	14	550	500	-
Finance Lease Liability - Current Portion	15	12,681	13,000	14,208
		<u>72,168</u>	<u>71,500</u>	<u>53,244</u>
Working Capital Surplus/(Deficit)		104,686	153,377	143,688
Non-current Assets				
Property, Plant and Equipment	12	98,158	88,772	79,372
		<u>98,158</u>	<u>88,772</u>	<u>79,372</u>
Non-current Liabilities				
Finance Lease Liability	15	30,941	31,000	8,395
		<u>30,941</u>	<u>31,000</u>	<u>8,395</u>
Net Assets		<u>171,903</u>	<u>211,150</u>	<u>214,666</u>
Equity		<u>171,903</u>	<u>211,150</u>	<u>214,666</u>

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

Northcote 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		358,793	308,000	371,181
Locally Raised Funds		40,753	59,700	34,021
Goods and Services Tax (net)		437	450	1,938
Payments to Employees		(226,310)	(172,400)	(230,506)
Payments to Suppliers		(195,596)	(191,816)	(193,409)
Interest Paid		(604)	-	(660)
Interest Received		3,763	3,900	6,656
Net cash from / (to) the Operating Activities		(18,764)	7,834	(10,779)
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(1,206)	739	(277)
Purchase of PPE (and Intangibles)		(42,928)	(19,389)	(12,156)
Purchase of Investments		36,925	35,000	36,881
Net cash from / (to) the Investing Activities		(7,209)	16,350	24,448
Cash flows from Financing Activities				
Finance Lease Payments		21,020	21,500	(7,649)
Net cash from / (to) the Financing Activities		21,020	21,500	(7,649)
Net increase/(decrease) in cash and cash equivalents		(4,953)	45,684	6,020
Cash and cash equivalents at the beginning of the year	8	34,643	34,643	28,623
Cash and cash equivalents at the end of the year	8	29,690	80,327	34,643

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.

Northcote School

Notes to the Financial Statements

1 Statement of Accounting Policies

For the year ended 31 December 2018

a) Reporting Entity

Northcote 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 12.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

- Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.
- Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.
- Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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

j) Investments

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment. The School has met the requirements under Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

k) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$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	40 years
Electronic Equipment	3-5 years
Furniture and Fittings	5-10 years
Plant and Equipment	5-10 years
Musical Equipment	3 years
Sports Equipment	10 years
Library resources	12.5% Diminishing value

l) Intangible Assets

Software costs

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

Computer software licences with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

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

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

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

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

Non cash generating assets

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

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

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

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

n) Accounts Payable

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

o) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

p) Revenue Received in Advance

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

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

q) 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).

r) 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.

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.

s) 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.

t) Budget Figures

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

u) Services received in-kind

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

2 Government Grants

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational grants	268,168	272,000	285,233
Teachers' salaries grants	715,241	600,000	698,394
Use of Land and Buildings grants	269,700	265,000	255,373
Other MoE Grants	90,625	36,000	76,596
Other government grants	-	-	9,351
	<u>1,343,734</u>	<u>1,173,000</u>	<u>1,324,948</u>

3 Locally Raised Funds

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

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	10,620	9,200	12,601
Fundraising	1,984	-	1,359
Trading	11,624	5,000	10,019
Activities	15,976	45,000	10,043
	<u>40,203</u>	<u>59,200</u>	<u>34,021</u>
Expenses			
Trading	7,985	2,750	8,903
Fundraising (costs of raising funds)	219	-	342
	<u>8,204</u>	<u>2,750</u>	<u>9,246</u>
<i>Surplus for the year Locally raised funds</i>	<u>32,000</u>	<u>56,450</u>	<u>24,776</u>

4 Learning Resources

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Library resources	-	300	-
Employee benefits - salaries	889,011	731,500	888,864
Resource/attached teacher costs	33,052	30,348	30,136
Staff development	5,947	10,000	10,517
	<u>928,010</u>	<u>772,148</u>	<u>929,517</u>

5 Administration

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	3,700	3,200	3,190
Board of Trustees Fees	4,415	5,200	4,055
Board of Trustees Expenses	896	3,000	3,137
Communication	3,158	4,000	4,070
Consumables	9,019	14,000	10,017
Operating Lease	(188)	2,000	1,002
Staff Expenses	9,709	4,200	4,222
Other	11,980	9,700	12,075
Employee Benefits - Salaries	51,904	41,000	42,207
Insurance	2,231	2,300	1,949
	<u>96,825</u>	<u>88,600</u>	<u>85,923</u>

6 Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	2,696	2,500	2,362
Consultancy and Contract Services	56,755	54,000	50,422
Grounds	7,732	9,000	10,807
Heat, Light and Water	19,770	19,000	16,617
Rates	3,533	2,300	3,121
Repairs and Maintenance	11,839	13,418	14,336
Use of Land and Buildings - Non Integrated	269,700	265,000	255,373
	<u>372,024</u>	<u>365,218</u>	<u>353,038</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	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements - Crown	800	353	800
Electronic equipment	10,992	6,021	13,634
Furniture and fittings	2,781	1,715	3,884
Library resources	2,503	588	1,332
Plant and equipment	1,696	742	1,680
Sports Equipment	504	223	504
Leased Assets	4,866	1,357	3,072
	<u>24,142</u>	<u>11,000</u>	<u>24,907</u>

8 Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	100	-	100
Bank Current Account	29,590	80,327	34,543
Short-term Bank Deposits	-	-	-
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>29,690</u>	<u>80,327</u>	<u>34,643</u>

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

9 Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Interest Receivable	1,189	600	637
Teacher Salaries Grant Receivable	51,597	50,000	30,606
	<u>52,786</u>	<u>50,600</u>	<u>31,242</u>
Receivables from Exchange Transactions	1,189	600	637
Receivables from Non-Exchange Transactions	51,597	50,000	30,606
	<u>52,786</u>	<u>50,600</u>	<u>31,242</u>

10 Inventories

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	-	-	89
School Uniforms	2,493	2,400	1,887
	<u>2,493</u>	<u>2,400</u>	<u>1,976</u>

11 Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	90,000	90,000	126,925

12 Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Building Improvements - Crown	18,120	-	-	-	(800)	17,320
Electronic equipment	26,201	42,760	(12,024)	-	(10,992)	45,945
Furniture and fittings	5,773	-	-	-	(2,781)	2,992
Library resources	9,326	10,926	(230)	-	(2,503)	17,519
Plant and equipment	8,788	-	-	-	(1,696)	7,092
Musical Equipment	-	-	-	-	-	-
Sports Equipment	1,683	-	-	-	(504)	1,179
Leased Assets	9,482	1,496	-	-	(4,866)	6,111
Balance at 31 December 2018	79,373	55,182	(12,254)	-	(24,142)	98,158

Accumulated Depreciation

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2018			
Building Improvements - Crown	31,923	(14,604)	17,319
Electronic equipment	164,168	(118,224)	45,945
Furniture and fittings	62,801	(59,809)	2,992
Library resources	47,744	(30,226)	17,519
Plant and equipment	28,081	(20,988)	7,092
Musical Equipment	420	(420)	-
Sports Equipment	7,121	(5,942)	1,179
Leased Assets	14,972	(8,860)	6,111
Balance at 31 December 2018	357,231	(259,073)	98,158

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2017						
Building Improvements - Crown	18,920	-	-	-	(800)	18,120
Electronic equipment	37,192	2,642	-	-	(13,634)	26,201
Furniture and fittings	9,657	-	-	-	(3,884)	5,773
Library resources	7,216	3,718	(277)	-	(1,332)	9,326
Plant and equipment	9,505	963	-	-	(1,680)	8,788
Musical Equipment	-	-	-	-	-	-
Sports Equipment	2,189	-	-	-	(504)	1,683
Leased Assets	7,443	5,111	-	-	(3,072)	9,482
Balance at 31 December 2017	92,121	12,433	(277)	-	(24,907)	79,372

Accumulated Depreciation

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2017			
Building Improvements - Crown	31,923	(13,804)	18,120
Electronic equipment	163,807	(137,607)	26,201
Furniture and fittings	62,801	(57,028)	5,773
Library resources	37,751	(28,425)	9,326
Plant and equipment	28,081	(19,292)	8,788
Musical Equipment	420	(420)	-
Sports Equipment	7,121	(5,438)	1,683
Leased Assets	13,476	(3,994)	9,482
Balance at 31 December 2017	345,380	(266,008)	79,372

13 Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	1,455	2,100	2,369
Accruals	4,350	3,800	3,890
Employee Entitlements - salaries	51,597	50,000	30,606
Employee Entitlements - leave accrual	1,535	2,100	2,171
	<u>58,936</u>	<u>58,000</u>	<u>39,036</u>
Payables for Exchange Transactions	58,936	58,000	39,036
	<u>58,936</u>	<u>58,000</u>	<u>39,036</u>

The carrying value of payables approximates their fair value.

14 Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Grants in Advance - Ministry	-	-	-
International student fees	-	-	-
Hostel fees	-	-	-
Other	550	500	-
	<u>550</u>	<u>500</u>	<u>-</u>

15 Finance Lease Liability

The School has entered into a number of finance lease agreements for photocopiers and laptops
Minimum lease payments payable:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	(12,681)	(13,000)	(14,208)
Later than One Year and no Later than Five Years	(30,941)	(31,000)	(8,395)
Later than Five Years	-	-	-
	<u>(43,622)</u>	<u>(44,000)</u>	<u>(22,603)</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.

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	4,415	4,055
Full-time equivalent members	0.07	0.17

Leadership Team

Remuneration	296,067	295,607
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	300,481	299,662
Total full-time equivalent personnel	3.07	3.17

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	110-120	120-130
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	0	0

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
0	0.00	0.00
	0.00	0.00

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

18 Compensation and Other Benefits Upon Leaving

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

	2018 Actual	2017 Actual
Total	\$0	\$0
Number of People	0	0

19 Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

Contingent liability - cyclical maintenance

The School has an obligation to the Ministry of Education to maintain in good order and repair at all times the land, buildings and other facilities on the School site.

The school is part of the Christchurch Schools Rebuild Programme which will result in the School's buildings either being repaired or rebuilt in the future.

At the present time there is significant uncertainty over how the programme will affect the School.

As a result, the School cannot make a reliable estimate of the maintenance required on the School's buildings so no cyclical maintenance provision has been recognised, even though the school will be required to maintain any buildings that are not replaced.

20 Commitments

(a) Capital Commitments

(Capital commitments at 31 December 2018: nil)

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

(a) operating leases of computers

	2018 Actual \$	2017 Actual \$
No later than One Year	366	4,177
Later than One Year and No Later than Five Years	-	366
Later than Five Years	-	-
	<u>366</u>	<u>4,543</u>

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	29,690	80,327	34,643
Receivables	52,786	50,600	31,242
Investments - Term Deposits	90,000	90,000	126,925
Total Cash and Receivables	<u>172,476</u>	<u>220,927</u>	<u>192,810</u>

Financial liabilities measured at amortised cost

Payables	58,936	58,000	39,036
Finance Leases	43,622	44,000	22,603
Total Financial Liabilities Measured at Amortised Cost	<u>102,559</u>	<u>102,000</u>	<u>61,639</u>

23 Events After Balance Date

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