

APANUI SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address:	92 McAlister Street Whakatane
School Postal Address:	92 McAlister Street Whakatane
School Phone:	07 308 7687
School Email:	debbye@apanui.school.nz
Ministry Number:	1684

Apanui School

Financial Statements - For the year ended 31 December 2017

Table of Contents

Page

1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6	Statement of Accounting Policies
11	Notes to the Financial Statements
20	Members of The Board of Trustees
	Analysis of Variance including Kiwi Sport Report
	Independent Auditor's Report

Apanui School
Statement of Responsibility
For the year ended 31 December 2017

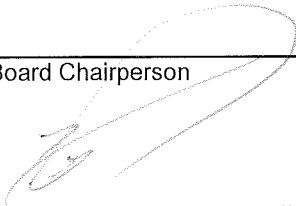
The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

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.

Keith Hamill
Full Name of Board Chairperson



Signature of Board Chairperson

29. Aug. 18
Date:

Simon Akroyd
Full Name of Principal



Signature of Principal

29th Aug 2018
Date:

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

For the year ended 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	3,093,619	2,929,381	2,711,518
Locally Raised Funds	3	156,687	73,400	167,510
Interest Earned		6,012	2,500	5,076
		<hr/>	<hr/>	<hr/>
		3,256,318	3,005,281	2,884,104
Expenses				
Locally Raised Funds	3	25,892	25,000	19,679
Learning Resources	4	2,287,818	2,193,546	2,101,279
Administration	5	117,913	115,221	109,667
Finance		3,472	-	2,308
Property	6	647,064	642,715	533,811
Depreciation	7	110,117	25,000	98,452
Loss on Disposal of Property, Plant and Equipment		4	-	480
		<hr/>	<hr/>	<hr/>
		3,192,280	3,001,482	2,865,676
Net Surplus / (Deficit) for the year		64,038	3,799	18,428
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		64,038	3,799	18,428

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

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

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
Balance at 1 January	<u>568,636</u>	<u>568,636</u>	<u>548,594</u>
Total Comprehensive Revenue and Expense for the Year	64,038	3,799	18,428
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	1,408	-	1,614
Equity at 31 December	<u>634,082</u>	<u>572,435</u>	<u>568,636</u>
Retained Earnings	634,082	572,435	568,636
Reserves	-	-	-
Equity at 31 December	<u>634,082</u>	<u>572,435</u>	<u>568,636</u>

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

Apanui School
Statement of Financial Position
As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and Cash Equivalents	8	365,089	223,847	223,406
Accounts Receivable	9	121,302	96,416	96,416
GST Receivable		20,711	7,923	7,923
Prepayments		1,864	799	799
Inventories	10	13,359	10,883	10,883
		<u>522,325</u>	<u>339,868</u>	<u>339,427</u>
Current Liabilities				
Accounts Payable	12	225,780	132,869	132,869
Borrowings - Due in One Year	13	2,268	2,268	2,268
Provision for Cyclical Maintenance	14	12,240	(800)	7,200
Finance Lease Liability - Current Portion	15	17,161	10,961	13,569
Funds for RTLB Services	17	8,693	8,750	8,750
		<u>266,142</u>	<u>154,048</u>	<u>164,656</u>
Working Capital Surplus/(Deficit)		256,183	185,820	174,771
Non-current Assets				
Property, Plant and Equipment	11	460,210	488,840	483,840
		<u>460,210</u>	<u>488,840</u>	<u>483,840</u>
Non-current Liabilities				
Borrowings	13	5,103	7,371	7,371
Provision for Cyclical Maintenance	14	60,030	69,900	57,650
Finance Lease Liability	15	17,178	24,954	24,954
		<u>82,311</u>	<u>102,225</u>	<u>89,975</u>
Net Assets		<u>634,082</u>	<u>572,435</u>	<u>568,636</u>
Equity		<u>634,082</u>	<u>572,435</u>	<u>568,636</u>

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

Apanui School
Statement of Cash Flows
For the year ended 31 December 2017

	2017	2017	2016
Note	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Cash flows from Operating Activities			
Government Grants	747,170	578,500	634,419
Locally Raised Funds	155,812	73,400	167,144
Goods and Services Tax (net)	(12,788)	-	3,192
Payments to Employees	(340,158)	(314,600)	(311,896)
Payments to Suppliers	(312,062)	(298,751)	(378,476)
Cyclical Maintenance Payments in the year	(6,650)	(8,000)	-
Interest Paid	(3,472)	-	(2,308)
Interest Received	5,423	2,500	5,196
	<hr/>	<hr/>	<hr/>
Net cash from / (to) the Operating Activities	233,275	33,049	117,271
Cash flows from Investing Activities			
Purchase of PPE (and Intangibles)	(78,323)	(30,000)	(113,853)
	<hr/>	<hr/>	<hr/>
Net cash from / (to) the Investing Activities	(78,323)	(30,000)	(113,853)
Cash flows from Financing Activities			
Furniture and Equipment Grant	1,408	-	1,614
Finance Lease Payments	(12,352)	(2,608)	(3,612)
Loans Received/ Repayment of Loans	(2,268)	-	9,639
Funds Administered on Behalf of Third Parties	(57)	-	27,754
	<hr/>	<hr/>	<hr/>
Net Cash from Financing Activities	(13,269)	(2,608)	35,395
	<hr/>	<hr/>	<hr/>
Net Increase/(Decrease) in Cash and Cash Equivalents	141,683	441	38,813
Cash and Cash Equivalents at the beginning of the year	8	223,406	223,406
	<hr/>	<hr/>	<hr/>
Cash and Cash Equivalents at the end of the year	8	365,089	223,406
	<hr/>	<hr/>	<hr/>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Apanui School

Notes to the Financial Statements

For the year ended 31 December 2017

1. Statement of Accounting Policies

a) Reporting Entity

Apanui 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 are disclosed in note 11.

Apanui School

Notes to the Financial Statements

For the year ended 31 December 2017

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 carry forward 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 the 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) 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.

f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held on 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.

Apanui School

Notes to the Financial Statements

For the year ended 31 December 2017

g) 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.

h) 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.

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 \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

Gains and losses on disposals (*i.e.* sold or given away) are determined by comparing the proceeds received with the carrying amounts (*i.e.* the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

Depreciation

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building Improvements - Crown	10-75 years
Furniture and Equipment	10-15 years
Information and Communication Technology	4-5 years
Motor Vehicles	5 years
Library Resources	12.5% Diminishing value
Textbooks	3 years
Leased Assets held under a Finance Lease	4 years

Apanui School

Notes to the Financial Statements

For the year ended 31 December 2017

j) Impairment of Property, Plant and Equipment

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.

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.

m) Shared Funds

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

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).

Apanui School

Notes to the Financial Statements

For the year ended 31 December 2017

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) 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.

q) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

r) Budget Figures

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

s) Services Received In-Kind

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

Apanui School
Notes to the Financial Statements
For the year ended 31 December 2017

2. Government Grants

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational Grants	598,821	513,000	588,186
Teachers' Salaries Grants	1,877,666	1,877,666	1,711,950
Use of Land and Buildings Grants	473,215	473,215	333,814
Other MOE Grants	143,019	65,500	77,568
Other Government Grants	898	-	-
	<u>3,093,619</u>	<u>2,929,381</u>	<u>2,711,518</u>

3. Locally Raised Funds

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
Donations	43,101	2,000	42,441
Fundraising	5,937	-	4,085
Transport Revenue	5,500	5,500	5,500
Trading	24,044	24,000	23,118
Activities	78,105	41,900	92,366
	<u>156,687</u>	<u>73,400</u>	<u>167,510</u>
Expenses			
Trading	25,033	24,000	18,027
Transport (local)	859	1,000	1,652
	<u>25,892</u>	<u>25,000</u>	<u>19,679</u>
	<u>130,795</u>	<u>48,400</u>	<u>147,831</u>

Surplus for the year Locally raised funds

Income from Fundraising includes the following donations:

\$10,000 from Southern Trust

\$10,000 from Pub Charity

\$5,000 from Grassroots Radio Station

4. Learning Resources

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Curricular	32,351	43,000	49,474
Equipment Repairs	4,444	2,800	6,390
Information and Communication Technology	18,828	18,130	31,707
Extra-Curricular Activities	88,181	25,450	68,789
Library Resources	(30)	600	1,008
Employee Benefits - Salaries	2,127,868	2,089,566	1,924,155
Staff Development	16,176	14,000	19,756
	<u>2,287,818</u>	<u>2,193,546</u>	<u>2,101,279</u>

Apanui School
Notes to the Financial Statements
For the year ended 31 December 2017

5. Administration

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Audit Fee	5,650	5,650	5,902
Board of Trustees Fees	2,780	3,600	2,765
Board of Trustees Expenses	7,976	5,000	7,987
Communication	2,973	3,900	3,785
Consumables	4,319	4,000	8,218
Other	21,224	23,771	20,870
Employee Benefits - Salaries	62,800	58,700	46,470
Insurance	4,191	4,100	5,557
Service Providers, Contractors and Consultancy	6,000	6,500	8,113
	117,913	115,221	109,667

6. Property

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Caretaking and Cleaning Consumables	48,366	48,400	41,974
Cyclical Maintenance Expense	14,070	12,250	34,645
Grounds	21,441	11,800	13,136
Heat, Light and Water	23,827	23,200	26,683
Rates	3,220	5,600	5,801
Repairs and Maintenance	26,208	20,000	18,866
Use of Land and Buildings	473,215	473,215	333,814
Security	3,912	4,250	5,102
Employee Benefits - Salaries	32,805	44,000	53,790
	647,064	642,715	533,811

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Furniture and Equipment	12,004	5,000	12,339
Information and Communication Technology	29,232	7,500	27,206
Other Equipment	52,580	8,500	47,704
Infant Building	2,781	500	2,527
Library Resources	1,796	500	2,053
Leased Assets	11,724	3,000	6,623
	110,117	25,000	98,452

Apanui School
Notes to the Financial Statements
For the year ended 31 December 2017

8. Cash and Cash Equivalents

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Bank Current Account	168,438	109,228	108,787
Bank Call Account	196,651	114,619	114,619
Cash equivalents and bank overdraft for Cash Flow Statement	<u>365,089</u>	<u>223,847</u>	<u>223,406</u>

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 \$
Receivables	1,241	366	366
Receivables from the Ministry of Education	-	4,432	4,432
Interest Receivable	718	129	129
Teacher Salaries Grant Receivable	119,343	91,489	91,489
	<u>121,302</u>	<u>96,416</u>	<u>96,416</u>
Receivables from Exchange Transactions	1,959	495	495
Receivables from Non-Exchange Transactions	119,343	95,921	95,921
	<u>121,302</u>	<u>96,416</u>	<u>96,416</u>

10. Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Stationery	362	2,775	2,775
School Uniforms	12,997	8,108	8,108
	<u>13,359</u>	<u>10,883</u>	<u>10,883</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2017						
Furniture and Equipment	83,245	2,640	-	-	(12,004)	73,881
Other Equipment	157,827	5,789	-	-	(52,580)	111,036
Information and Communication Technology	61,308	69,894	-	-	(29,232)	101,970
Building Improvements - Crown	129,787	-	-	-	(2,781)	127,006
Library Resources	14,369	-	-	-	(1,796)	12,569
Textbooks	2,499	-	-	-	-	2,499
Leased Assets	34,805	8,168	(4)	-	(11,724)	31,249
Balance at 31 December 2017	<u>483,840</u>	<u>86,491</u>	<u>(4)</u>	<u>-</u>	<u>(110,117)</u>	<u>460,210</u>

Apanui School
Notes to the Financial Statements
For the year ended 31 December 2017

11. Property, Plant and Equipment Continued

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2017			
Furniture and Equipment	410,728	(336,847)	73,881
Other Equipment	392,698	(281,662)	111,036
Information and Communication Technology	372,033	(270,063)	101,970
Building Improvements - Crown	139,030	(12,024)	127,006
Library Resources	87,755	(75,186)	12,569
Textbooks	52,075	(49,576)	2,499
Leased Assets	52,670	(21,421)	31,249
Balance at 31 December 2017	1,528,647	(1,068,437)	460,210

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2016						
Furniture and Equipment	71,317	24,267	-	-	(12,339)	83,245
Other Equipment	157,643	47,888	-	-	(47,704)	157,827
Information and Communication Technology	65,799	22,715	-	-	(27,206)	61,308
Building Improvements - Crown	115,386	16,928	-	-	(2,527)	129,787
Library Resources	14,848	2,054	(480)	-	(2,053)	14,369
Textbooks	2,499	-	-	-	-	2,499
Leased Assets	15,372	26,056	-	-	(6,623)	34,805
Balance at 31 December 2016	442,864	139,908	(480)	-	(98,452)	483,840

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2016			
Furniture and Equipment	408,088	(324,843)	83,245
Other Equipment	386,909	(229,082)	157,827
Information and Communication Technology	302,139	(240,831)	61,308
Library Resources	87,778	(73,409)	14,369
Building Improvements - Crown	139,030	(9,243)	129,787
Motor Vehicles	21,658	(21,658)	-
Textbooks	52,075	(49,576)	2,499
Leased Assets	44,502	(9,697)	34,805
Balance at 31 December 2016	1,442,179	(958,339)	483,840

Apanui School
Notes to the Financial Statements
For the year ended 31 December 2017

12. Accounts Payable

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operating Creditors	90,506	31,098	31,098
Accruals	5,650	5,650	5,650
Employee Entitlements - Salaries	123,141	91,487	91,487
Employee Entitlements - Leave Accrual	6,483	4,634	4,634
	<u>225,780</u>	<u>132,869</u>	<u>132,869</u>
Payables for Exchange Transactions	225,780	132,869	132,869
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>225,780</u>	<u>132,869</u>	<u>132,869</u>

The carrying value of payables approximates their fair value.

13. Borrowings

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Due in One Year	2,268	2,268	2,268
Due Beyond One Year	5,103	7,371	7,371
	<u>7,371</u>	<u>9,639</u>	<u>9,639</u>

The school has borrowings at 31 December 2017 of \$7,371 (31 December 2016 \$9,639). This loan is from the EECA for the purpose of installing solar panels. The loan is unsecured, interest is undisclosed and the loan is repayable in equal instalments of \$2,268 pa.

14. Provision for Cyclical Maintenance

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	64,850	64,850	42,898
Increase to the Provision During the Year	14,070	12,250	34,645
Use of the Provision During the Year	(6,650)	(8,000)	(12,693)
Provision at the End of the Year	<u>72,270</u>	<u>69,100</u>	<u>64,850</u>
Cyclical Maintenance - Current	12,240	(800)	7,200
Cyclical Maintenance - Term	60,030	69,900	57,650
	<u>72,270</u>	<u>69,100</u>	<u>64,850</u>

Apanui School
Notes to the Financial Statements
For the year ended 31 December 2017

15. Finance Lease Liability

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	17,161	10,961	13,569
Later than One Year and no Later than Five Years	19,459	24,954	24,954
	36,620	35,915	38,523

16. Funds Held for Capital Works Projects

During the year the School applied funding from the Ministry of Education to the following capital works projects:

	2016	Opening Balances \$	Receipts from MOE \$	Payments \$	(Write-off to R&M)	Closing Balances \$
Block A Upgrade	<i>complete</i>	(26,583)	103,774	77,191	-	-
Electrical Upgrade	<i>complete</i>	-	45,638	45,638	-	-
Block B Upgrade	<i>complete</i>	-	78,783	78,783	-	-
New Gas Boiler	<i>complete</i>	-	38,956	38,956	-	-
Totals		(26,583)	267,151	240,568	-	-

17. Funds for RTLB Services

Apanui School is the lead school funded by the Ministry of Education to provide the services of Resource Teachers of Learning and Behaviour to its cluster of schools.

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Funds held at beginning of the year	8,750	8,750	7,579
<i>Revenue</i>			
Travel Grant	10,707	-	14,963
	10,707	-	14,963
Total funds available	19,457	8,750	22,542
<i>Expenses</i>			
Administration	(9,383)	-	(13,792)
Travel	(1,381)	-	-
	(10,764)	-	(13,792)
Purchase of Assets	-	-	-
Funds Held at Year End	8,693	8,750	8,750

Apanui School

Notes to the Financial Statements

For the year ended 31 December 2017

18. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the School. The School enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the School would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship, on terms and conditions no more or less favourable than those that it is reasonable to expect the School would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities), are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

19. Remuneration

Key management personnel compensation

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	2,780	2,025
Full-time equivalent members	0.11	0.11
<i>Leadership Team</i>		
Remuneration	229,323	227,096
Full-time equivalent members	2	2
Total key management personnel remuneration	232,103	229,121
Total full-time equivalent personnel	2.11	2.11

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:

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	130 - 140
Benefits and Other Emoluments	4 - 5	3 - 4
Termination Benefits	0 - 0	0 - 0

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
110 - 120	-	-
100 - 110	-	1.00
	0.00	1.00

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

Apanui School
Notes to the Financial Statements
For the year ended 31 December 2017

20. Compensation and Other Benefits Upon Leaving

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

	2017 Actual	2016 Actual
Total	\$0	\$0
Number of People	0	0

21. 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)

22. Commitments

(a) Capital Commitments

As at 31 December 2017 the Board has entered into no 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 nil operating contracts:

(a) operating leases for laptops, iPads and chromebooks;

	2017 Actual \$	2016 Actual \$
No later than One Year	-	9,756
Later than One Year and No Later than Five Years	-	21,030
	<u>-</u>	<u>30,786</u>

23. Managing Capital

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

Apanui School
Notes to the Financial Statements
For the year ended 31 December 2017

24. 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	365,089	223,847	223,406
Receivables	121,302	96,416	96,416
Total Loans and Receivables	<u>486,391</u>	<u>320,263</u>	<u>319,822</u>

Financial liabilities measured at amortised cost

Payables	225,780	132,869	132,869
Borrowings - Loans	7,371	9,639	9,639
Finance Leases	34,339	35,915	38,523
Total Financial Liabilities Measured at Amortised Cost	<u>267,490</u>	<u>178,423</u>	<u>181,031</u>

25. Breach of Law - Failure to meet statutory reporting deadline

The Board of Trustees did not comply with Section 87A of the Education Act, in that it did not submit its Annual Financial Statements for audit by 31 March 2018.

The Board of Trustees did not comply with Section 87C1 of the Education Act, in that it did not submit its Annual Financial Statements to the Ministry of Education by 31 May 2018.

26. Events After Balance Date

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

Apanui School
Members of the Board of Trustees
For the year ended 31 December 2017

<u>Name</u>	<u>Position</u>	<u>How Appointed</u>	<u>Term Expire/Expires</u>
Keith Hamill	Chairperson	Elected	May 2019
Simon Akroyd	Principal	Appointed	N/A
Wouter Vullings	Parent Rep	Elected	May 2019
Hannah Simmonds	Parent Rep	Elected	May 2019
Matt Burke	Parent Rep	Elected	May 2019
Grace Murray-Cawte	Staff Rep	Elected	May 2019