

27th July 2017

The Chairperson,
Leamington School Board of Trustees
Lamb Street
Cambridge 3432

Dear Sir,

Re: 2016 Audit – amended statements

Please accept my apologies, but we have discovered errors in the final print of your 2016 statements and have now corrected those and attached an amended copy. This has not impacted on the 2016 deficit but did result in a balance sheet error and a number of changes to 2015 year figures.

We had not expected any changes in figures between the last draft copy and the final, but unfortunately we were caught out by what appears to be a random error with Education Services system in the final print.

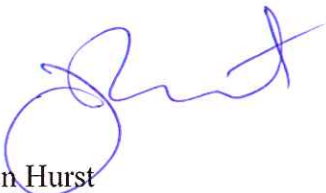
We have forwarded an amended copy to the Ministry on your behalf.

Please return or destroy any copies of the earlier version.

My apologies once again.

Thanking you,

Yours faithfully,
Finn & Partners



Jon Hurst

Finnz Chartered Accountants
80 Market Street | PO Box 17 | Te Awamutu 3840
Office Phone: (07) 871-7055 | Fax: 07 871 3155
Website: www.finnandpartners.co.nz

LEAMINGTON SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

School Address: Lamb Street, Leamington, Cambridge

School Postal Address: Lamb Street, Leamington, Cambridge

School Phone: 07 827 5747

School Email: marianne.k@leamington.school.nz

Ministry Number: 1789

LEAMINGTON SCHOOL

Financial Statements - For the year ended 31 December 2016

Index

Page	Statement
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 - 22	Notes to the Financial Statements
6 - 12	Statement of Accounting Policies
13 - 22	Other Notes and Disclosures

Leamington 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.

Justin David Read
Full Name of Board Chairperson

Michael Lyons Malcolm
Full Name of Principal

J.D. Read
Signature of Board Chairperson

M.L.M.
Signature of Principal

31/5/17
Date:

31-5-17.
Date:

Leamington 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	3,325,025	3,237,083	2,936,112
Locally Raised Funds	3	273,601	144,200	329,880
Interest Earned		13,721	6,000	16,218
International Students	4	16,495	12,060	12,090
		<u>3,628,842</u>	<u>3,399,343</u>	<u>3,294,300</u>
Expenses				
Locally Raised Funds	3	238,503	126,000	198,478
International Students	4	-	10,000	894
Learning Resources	5	2,372,317	2,195,075	2,106,950
Administration	6	203,445	207,007	177,744
Finance Costs		600	-	-
Property	7	725,840	692,453	661,744
Depreciation	8	122,334	60,000	63,938
Loss on Disposal of Property, Plant and Equipment		627	-	-
		<u>3,663,666</u>	<u>3,290,535</u>	<u>3,209,748</u>
Net Surplus / (Deficit)		(34,824)	108,808	84,552
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(34,824)</u>	<u>108,808</u>	<u>84,552</u>

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



Leamington 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	<u>487,602</u>	<u>487,602</u>	<u>396,012</u>
Total comprehensive revenue and expense for the year	(34,824)	108,808	84,552
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	14,387	-	7,038
Equity at 31 December	<u>467,165</u>	<u>596,410</u>	<u>487,602</u>
Retained Earnings	467,165	596,410	487,602
Equity at 31 December	<u>467,165</u>	<u>596,410</u>	<u>487,602</u>

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



Leamington 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	715,219	517,709	384,748
Accounts Receivable	10	305,806	172,761	172,761
GST Receivable		-	4,386	4,384
Prepayments		4,828	-	-
Inventories	11	16,938	15,477	15,477
Investments	12	57,769	19,279	19,279
		<u>1,100,560</u>	<u>729,612</u>	<u>596,649</u>
Current Liabilities				
GST Payable		26,862	-	-
Accounts Payable	14	401,569	220,384	220,384
Revenue Received in Advance	15	8,868	14,169	14,169
Painting Contract Liability - Current Portion	17	16,622	7,564	23,395
Finance Lease Liability - Current Portion	18	6,882	-	-
Funds held for Capital Works Projects	19	232,022	-	-
		<u>692,825</u>	<u>242,117</u>	<u>257,948</u>
Working Capital Surplus/(Deficit)		407,735	487,495	338,701
Non-current Assets				
Property, Plant and Equipment	13	381,682	419,283	440,283
Intangible Assets		8,232	8,232	8,232
		<u>389,914</u>	<u>427,515</u>	<u>448,515</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	318,600	318,600	292,050
Painting Contract Liability	17	-	-	7,564
Finance Lease Liability	18	11,884	-	-
		<u>330,484</u>	<u>318,600</u>	<u>299,614</u>
Net Assets		<u><u>467,165</u></u>	<u><u>596,410</u></u>	<u><u>487,602</u></u>
Equity		<u><u>467,165</u></u>	<u><u>596,410</u></u>	<u><u>487,602</u></u>

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



Leamington 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		707,230	625,204	699,168
Locally Raised Funds		115,863	141,500	321,706
International Students		16,495	12,060	12,060
Goods and Services Tax (net)		31,248	-	(801)
Payments to Employees		(329,356)	(188,179)	(468,046)
Payments to Suppliers		(325,740)	(424,624)	(355,302)
Interest Paid		(600)	-	-
Interest Received		12,548	6,000	15,743
Net cash from / (to) the Operating Activities		227,688	171,961	224,528
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(42,723)	(39,000)	(158,455)
Purchase of Investments		(57,769)	-	-
Proceeds from Sale of Investments				54,663
Net cash from / (to) the Investing Activities		(100,492)	(39,000)	(103,792)
Cash flows from Financing Activities				
Finance Lease Payments		(29)	-	-
Painting contract payments		(11,837)	-	-
Funds Administered on Behalf of Third Parties		215,141	-	-
Net cash from Financing Activities		203,275	-	-
Net increase/(decrease) in cash and cash equivalents		330,471	132,961	120,736
Cash and cash equivalents at the beginning of the year	9	384,748	384,748	264,012
Cash and cash equivalents at the end of the year	9	715,219	517,709	384,748

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.



Leamington School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2016

a) Reporting Entity

Leamington 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 18.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

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



Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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



j) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance.

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 \$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 are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Computer Equipment	2.5-5 years
Furniture and Fittings	5 years
Buildings	25-33 years
Library Books	12.5% DV

Leased assets are depreciated over the life of the lease.

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 \$1,000 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. It's 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. 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

p) Revenue Received in Advance

Revenue received in advance relates to fees received from 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.

q) 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.

r) 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.

s) 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).



t) 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.

u) 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.

v) 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.

w) Budget Figures

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

x) 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

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Operational grants	616,239	622,704	585,682
Teachers' salaries grants	2,091,746	2,091,746	1,812,470
Use of Land and Buildings grants	520,133	520,133	447,199
Other MoE Grants	95,727	2,500	90,761
Other government grants	1,180	-	-
	<u>3,325,025</u>	<u>3,237,083</u>	<u>2,936,112</u>

3. Locally Raised Funds

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

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue			
Donations	31,344	20,500	102,644
Fundraising	-	-	8,704
Trading	65,875	45,500	62,612
Activities	68,527	2,200	60,453
Trading After School Day Care	107,855	76,000	95,467
	<u>273,601</u>	<u>144,200</u>	<u>329,880</u>
Expenses			
Activities	66,360	2,700	56,356
Trading	65,349	44,600	51,358
Fundraising (costs of raising funds)	-	-	6,129
Trading After School Day Care	106,794	78,700	84,635
	<u>238,503</u>	<u>126,000</u>	<u>198,478</u>
<i>Surplus for the year Locally raised funds</i>	<u>35,098</u>	<u>18,200</u>	<u>131,402</u>

4. International Student Revenue and Expenses

	2016 Actual Number	2016 Budget (Unaudited) Number	2015 Actual Number
International Student Roll	1	1	1
Revenue			
International student fees	16,495	12,060	12,090
Expenses			
Other Expenses	-	10,000	894
	<u>-</u>	<u>10,000</u>	<u>894</u>
<i>Surplus for the year International Students'</i>	<u>16,495</u>	<u>2,060</u>	<u>11,196</u>



5. Learning Resources

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Curricular	38,930	61,950	62,806
Library resources	1,486	1,300	1,365
Employee benefits - salaries	2,318,022	2,119,425	2,033,465
Staff development	13,879	12,400	9,314
	<u>2,372,317</u>	<u>2,195,075</u>	<u>2,106,950</u>

6. Administration

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Audit Fee	4,210	4,900	4,259
Board of Trustees Fees	5,045	6,000	4,990
Board of Trustees Expenses	7,661	6,050	1,920
Communication	4,319	3,900	3,060
Consumables	36,674	52,247	18,920
Operating Lease	14,840	10,500	18,350
Other	31,837	38,410	26,840
Employee Benefits - Salaries	90,196	80,000	84,471
Insurance	5,163	1,000	11,859
Service Providers, Contractors and Consultancy	3,500	4,000	3,075
	<u>203,445</u>	<u>207,007</u>	<u>177,744</u>

7. Property

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Caretaking and Cleaning Consumables	5,259	4,400	5,171
Cyclical Maintenance Provision	26,550	-	26,550
Grounds	5,872	5,050	12,196
Heat, Light and Water	26,392	22,000	26,803
Rates	5,379	5,500	4,878
Repairs and Maintenance	100,239	53,620	59,911
Use of Land and Buildings	520,133	520,133	447,199
Security	2,116	1,250	890
Employee Benefits - Salaries	-	80,500	78,146
Contractors	33,900	-	-
	<u>725,840</u>	<u>692,453</u>	<u>661,744</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.



8. Depreciation of Property, Plant and Equipment

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Computer Equipment	32,696	55,264	21,484
Furniture and Fittings	63,665	1,763	31,899
Buildings	21,766	172	7,873
Leased Assets	1,790	-	-
Library Books	2,417	2,801	2,682
	<u>122,334</u>	<u>60,000</u>	<u>63,938</u>

9. Cash and Cash Equivalents

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
ASB - BOT Cheque Account	384,784	173,364	40,403
ASB - Savings On Call	57,460	176,500	176,500
ASB - Productions Account	1,720	1,696	1,696
ASB - Activities	4,912	6,179	6,179
ASB Whanau (Cultural)	4,182	4,125	4,125
Short-term Bank Deposits	262,161	155,845	155,845
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>715,219</u>	<u>517,709</u>	<u>384,748</u>

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

Of the \$715,219 Cash and Cash Equivalents, \$232,022 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2017 on Crown owned school buildings under the School's Five Year Property Plan.

10. Accounts Receivable

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	175,280	22,890	22,890
Interest Receivable	1,173	1,572	1,572
Teacher Salaries Grant Receivable	129,353	148,299	148,299
	<u>305,806</u>	<u>172,761</u>	<u>172,761</u>
Receivables from Exchange Transactions	176,453	24,462	24,462
Receivables from Non-Exchange Transactions	129,353	148,299	148,299
	<u>305,806</u>	<u>172,761</u>	<u>172,761</u>



11. Inventories

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Trading Stationery	2,438	2,207	2,207
Trading Clothing	14,500	13,270	13,270
	<u>16,938</u>	<u>15,477</u>	<u>15,477</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	57,769	19,279	19,279

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						
Computer Equipment	37,744	7,802	-	-	(32,696)	12,850
Furniture and Fittings	134,288	33,766	-	-	(63,665)	104,389
Buildings	249,478	-	-	-	(21,766)	227,712
Leased Assets	-	21,638	-	-	(1,790)	19,848
Library Books	18,773	1,155	(627)	-	(2,417)	16,883
Balance at 31 December 2016	<u>440,283</u>	<u>64,361</u>	<u>(627)</u>	<u>-</u>	<u>(122,334)</u>	<u>381,682</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2016			
Computer Equipment	123,462	(110,612)	12,850
Furniture and Fittings	409,445	(305,056)	104,389
Buildings	581,564	(353,852)	227,712
Leased Assets	21,638	(1,790)	19,848
Library Books	73,705	(56,822)	16,883
Balance at 31 December 2016	<u>1,209,814</u>	<u>(828,132)</u>	<u>381,682</u>



2015	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Computer Equipment	42,418	13,682	-	-	(21,484)	34,616
Furniture and Fittings	117,693	51,622	-	-	(31,899)	137,416
Buildings	164,200	93,151	-	-	(7,873)	249,478
Library Books	21,455	-	-	-	(2,682)	18,773
Balance at 31 December 2015	345,766	158,455	-	-	(63,938)	440,283

Accumulated Depreciation

2015	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Computer Equipment	111,063	(76,447)	34,616
Furniture and Fittings	380,277	(242,861)	137,416
Buildings	581,564	(332,086)	249,478
Library Books	75,429	(56,656)	18,773
Balance at 31 December 2015	1,148,333	(708,050)	440,283

14. Accounts Payable

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Operating creditors	247,781	72,085	72,085
Accruals	4,842	-	-
Banking staffing overuse	9,945	-	-
Employee Entitlements - salaries	129,353	148,299	148,299
Employee Entitlements - leave accrual	9,648	-	-
	401,569	220,384	220,384
Payables for Exchange Transactions	391,624	220,384	220,384
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	9,945	-	-
	401,569	220,384	220,384

The carrying value of payables approximates their fair value.



15. Revenue Received in Advance

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
International Students	-	-	12,030
Parent Accounts in Credit	8,868	14,169	2,139
	<u>8,868</u>	<u>14,169</u>	<u>14,169</u>

16. Provision for Cyclical Maintenance

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Provision at the Start of the Year	292,050	292,050	265,500
Increase to the Provision During the Year	26,550	26,550	26,550
Provision at the End of the Year	<u>318,600</u>	<u>318,600</u>	<u>292,050</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	318,600	318,600	292,050
	<u>318,600</u>	<u>318,600</u>	<u>292,050</u>

17. Painting Contract Liability

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Current Liability	16,622	7,564	23,395
Non Current Liability	-	-	7,564
	<u>16,622</u>	<u>7,564</u>	<u>30,959</u>

In 2005 the Board signed an agreement with Programmed Maintenance Ltd (the contractor) for an agreed programme of work covering a 14 year period. The programme provides for Internal and External paint of the Ministry owned buildings in 1 and 8, with regular maintenance in subsequent years. The agreement has an annual commitment of \$16,622. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

18. Finance Lease Liability

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

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
No Later than One Year	6,882	-	-
Later than One Year and no Later than Five Years	11,884	-	-
	<u>18,766</u>	<u>-</u>	<u>-</u>



19. Funds Held (Owed) 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 \$
MOE New Classroom 2015 Income	<i>in progress</i>	-	643,604	439,426	-	204,178
MOE Hall Modifications Income	<i>completed</i>	-	86,558	86,558	-	-
MOE 10YPP-17	<i>completed</i>	-	6,450	6,450	-	-
MOE 1st Time enrolment	<i>in progress</i>	-	100,000	72,156	-	27,844
Totals		-	836,612	604,590	-	232,022

Represented by:

Funds Held on Behalf of the Ministry of Education	232,022
Funds Due from the Ministry of Education	-
	232,022

	2015	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
MOE 5 Year Property Project	<i>completed</i>	-	20,900	20,900	-	-
Totals		-	20,900	20,900	-	-

20. 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.



21. 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	5,045	4,990
Full-time equivalent members	0.11	0.01
<i>Leadership Team</i>		
Remuneration	698,455	414,954
Full-time equivalent members	8.00	4.09
Total key management personnel remuneration	703,500	419,944
Total full-time equivalent personnel	8.11	4.10

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
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	150 - 160	130-140
Benefits and Other Emoluments	2 - 3	-
Termination Benefits	-	-

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 - 110	1.00	-
	1.00	0.00

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

22. 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	-	-
Number of People	-	-



23. Contingencies

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

24. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2016 (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 lease of laptops;

	2016 Actual \$	2015 Actual \$
No later than One Year	35,750	35,750
Later than One Year and No Later than Five Years	1,979	37,729
Later than Five Years	-	-
	37,729	73,479

25. 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.



26. 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	715,219	517,709	384,748
Receivables	305,806	172,761	172,761
Investments - Term Deposits	57,769	19,279	19,279
Total Loans and Receivables	<u>1,078,794</u>	<u>709,749</u>	<u>576,788</u>

Financial liabilities measured at amortised cost

Payables	401,569	220,384	220,384
Borrowings - Loans	-	-	-
Finance Leases	18,766	-	-
Painting Contract Liability	16,622	7,564	7,564
Total Financial Liabilities Measured at Amortised Cost	<u>436,957</u>	<u>227,948</u>	<u>227,948</u>

27. Events After Balance Date

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

