

# PUKETAPU SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2018

#### School Directory

|                               |   |
|-------------------------------|---|
| <b>Ministry Number:</b>       | 2223  |
| <b>Principal:</b>             | Ngatai Walker                                 |
| <b>School Address:</b>        | Dillon Drive, Bell Block, NEW PLYMOUTH        |
| <b>School Postal Address:</b> | Dillon Drive, Bell Block, NEW PLYMOUTH , 4312 |
| <b>School Phone:</b>          | 06 755 0973                                   |
| <b>School Email:</b>          | pmartin@puketapu.school.nz                    |

#### Members of the Board of Trustees

| <b>Name</b>            | <b>Position</b> | <b>How<br/>Position<br/>Gained</b> | <b>Term<br/>Expires/<br/>Expired</b> |
|------------------------|-----------------|------------------------------------|--------------------------------------|
| Mike Warring           | Chairperson     | Elected                            | Jun 2019                             |
| Ngatai Walker          | Principal       | ex Officio                         |                                      |
| Mataatua Te Rongopatai | Parent Rep      | Elected                            | Jun 2019                             |
| Joanne Goldsmith       | Parent Rep      | Elected                            | Jun 2019                             |
| Fiona Pearce           | Parent Rep      | Elected                            | Jun 2019                             |
| Angela Bevan           | Parent Rep      | Elected                            | Jun 2019                             |
| Kellie Minnell         | Staff Rep       | Elected                            | Jun 2019                             |

**Accountant / Service Provider:** Education Services Ltd

# PUKETAPU SCHOOL

Annual Report - For the year ended 31 December 2018

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# Puketapu 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.

Michael Christopher Waring  
Full Name of Board Chairperson

Napitai Henare Walker  
Full Name of Principal

M.C. Waring  
Signature of Board Chairperson

[Signature]  
Signature of Principal

31/5/19  
Date:

31.5.19  
Date:

**Puketapu School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2018

|   | Notes | 2018<br>Actual<br>\$ | 2018<br>Budget<br>(Unaudited)<br>\$ | 2017<br>Actual<br>\$ |
|---|-------|----------------------|-------------------------------------|----------------------|
| <b>Revenue</b>  |       |                      |                                     |                      |
| Government Grants   | 2     | 2,269,687            | 1,874,416                           | 2,041,393            |
| Locally Raised Funds  | 3     | 115,451              | 29,120                              | 96,246               |
| Interest Earned   |       | 8,538                | 6,000                               | 8,380                |
| Gain on Sale of Property, Plant and Equipment               |       | -                    | -                                   | 2,195                |
|   |       | <hr/>                | <hr/>                               | <hr/>                |
|   |       | 2,393,676            | 1,909,536                           | 2,148,214            |
| <b>Expenses</b>   |       |                      |                                     |                      |
| Locally Raised Funds  | 3     | 71,467               | 16,750                              | 76,037               |
| Learning Resources  | 4     | 1,583,077            | 1,258,826                           | 1,405,232            |
| Administration  | 5     | 131,982              | 127,157                             | 120,652              |
| Finance Costs   |       | 3,342                | -                                   | 964                  |
| Property  | 6     | 537,875              | 467,088                             | 528,318              |
| Depreciation  | 7     | 53,660               | 43,082                              | 44,909               |
| Loss on Disposal of Property, Plant and Equipment           |       | 350                  | -                                   | -                    |
|   |       | <hr/>                | <hr/>                               | <hr/>                |
|   |       | 2,381,753            | 1,912,903                           | 2,176,112            |
| <b>Net Surplus / (Deficit)</b>                              |       | 11,923               | (3,367)                             | (27,898)             |
| Other Comprehensive Revenue and Expenses                    |       | -                    | -                                   | -                    |
| <b>Total Comprehensive Revenue and Expense for the Year</b> |       | <hr/> <hr/>          | <hr/> <hr/>                         | <hr/> <hr/>          |
|   |       | 11,923               | (3,367)                             | (27,898)             |

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

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

For the year ended 31 December 2018

|  | Actual<br>2018<br>\$ | Budget<br>(Unaudited)<br>2018<br>\$ | Actual<br>2017<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| <b>Balance at 1 January</b>                          | 376,959              | 401,939                             | 404,857              |
| Total comprehensive revenue and expense for the year | 11,923               | (3,367)                             | (27,898)             |
| Capital Contributions from the Ministry of Education |                      |                                     |                      |
| Distribution to the Crown                            | (2,942)              | -                                   | -                    |
| <b>Equity at 31 December</b>                         | 385,940              | 398,572                             | 376,959              |
| <br>   |                      |                                     |                      |
| Retained Earnings                                    | 385,940              | 398,572                             | 376,959              |
| <b>Equity at 31 December</b>                         | 385,940              | 398,572                             | 376,959              |

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

**Puketapu School**  
**Statement of Financial Position**

As at 31 December 2018

|   |       | 2018           | 2018           | 2017           |
|---|-------|----------------|----------------|----------------|
|   | Notes | Actual         | Budget         | Actual         |
|   |       | \$             | (Unaudited)    | \$             |
|   |       |                | \$             |                |
| <b>Current Assets</b>                     |       |                |                |                |
| Cash and Cash Equivalents                 | 8     | 115,529        | -              | 129,114        |
| Accounts Receivable                       | 9     | 112,827        | 71,436         | 81,954         |
| GST Receivable                            |       | 23,670         | 7,925          | -              |
| Prepayments                               |       | 10,173         | 5,721          | 8,337          |
| Inventories                               | 10    | 2,965          | 1,075          | 1,181          |
| Investments                               | 11    | 229,352        | 188,056        | 229,352        |
|   |       | <u>494,516</u> | <u>274,213</u> | <u>449,938</u> |
| <b>Current Liabilities</b>                |       |                |                |                |
| GST Payable                               |       | -              | -              | 4,124          |
| Accounts Payable                          | 13    | 277,704        | 109,640        | 125,690        |
| Revenue Received in Advance               | 14    | 1,323          | 950            | 24,043         |
| Provision for Cyclical Maintenance        | 15    | 34,389         | 9,375          | 74,375         |
| Finance Lease Liability - Current Portion | 16    | 11,644         | -              | 6,597          |
| Funds held for Capital Works Projects     | 17    | 31,025         | -              | 67,533         |
|   |       | <u>356,085</u> | <u>119,965</u> | <u>302,362</u> |
| <b>Working Capital Surplus/(Deficit)</b>  |       | 138,431        | 154,248        | 147,576        |
| <b>Non-current Assets</b>                 |       |                |                |                |
| Property, Plant and Equipment             | 12    | 307,941        | 261,783        | 286,938        |
|   |       | <u>307,941</u> | <u>261,783</u> | <u>286,938</u> |
| <b>Non-current Liabilities</b>            |       |                |                |                |
| Provision for Cyclical Maintenance        | 15    | 38,201         | 17,459         | 36,733         |
| Finance Lease Liability                   | 16    | 22,231         | -              | 20,822         |
|   |       | <u>60,432</u>  | <u>17,459</u>  | <u>57,555</u>  |
| <b>Net Assets</b>                         |       | <u>385,940</u> | <u>398,572</u> | <u>376,959</u> |
| <b>Equity</b>                             |       | <u>385,940</u> | <u>398,572</u> | <u>376,959</u> |

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

**Puketapu School**  
**Statement of Cash Flows**  
For the year ended 31 December 2018

|   |             | <b>2018</b>     | <b>2018</b>        | <b>2017</b>    |
|---|-------------|-----------------|--------------------|----------------|
|   | <b>Note</b> | <b>Actual</b>   | <b>Budget</b>      | <b>Actual</b>  |
|   |             | <b>\$</b>       | <b>(Unaudited)</b> | <b>\$</b>      |
|   |             |                 | <b>\$</b>          |                |
| <b>Cash flows from Operating Activities</b>                 |             |                 |                    |                |
| Government Grants   |             | 602,709         | 569,662            | 547,716        |
| Locally Raised Funds  |             | 78,920          | 20,620             | 129,555        |
| Goods and Services Tax (net)                                |             | (27,794)        | -                  | 12,049         |
| Payments to Employees                                       |             | (349,945)       | (301,125)          | (331,721)      |
| Payments to Suppliers                                       |             | (282,100)       | (209,698)          | (293,142)      |
| Cyclical Maintenance Payments in the year                   |             | (55,250)        | (80,000)           | -              |
| Interest Paid   |             | (3,342)         | -                  | (964)          |
| Interest Received   |             | 8,834           | 6,000              | 8,405          |
| Net cash from / (to) the Operating Activities               |             | (27,968)        | 5,459              | 71,898         |
| <b>Cash flows from Investing Activities</b>                 |             |                 |                    |                |
| Proceeds from Sale of PPE (and Intangibles)                 |             | 521             | -                  | -              |
| Purchase of PPE (and Intangibles)                           |             | (36,907)        | (38,000)           | (43,645)       |
| Net cash from / (to) the Investing Activities               |             | (36,386)        | (38,000)           | (43,645)       |
| <b>Cash flows from Financing Activities</b>                 |             |                 |                    |                |
| Owners Contributions  |             | (2,942)         | -                  | -              |
| Finance Lease Payments                                      |             | (5,297)         | (3,292)            | (4,636)        |
| Funds Held for Capital Works Projects                       |             | 59,008          | -                  | 69,664         |
| Net cash from Financing Activities                          |             | 50,769          | (3,292)            | 65,028         |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |             | <b>(13,585)</b> | <b>(35,833)</b>    | <b>93,281</b>  |
| Cash and cash equivalents at the beginning of the year      | 8           | 129,114         | 35,833             | 35,833         |
| <b>Cash and cash equivalents at the end of the year</b>     | <b>8</b>    | <b>115,529</b>  | <b>-</b>           | <b>129,114</b> |

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

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

# **Puketapu School**

## **Notes to the Financial Statements**

### **For the year ended 31 December 2018**

#### **1. Statement of Accounting Policies**

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

Puketapu 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.

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 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 16.

#### *Recognition of grants*

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

### **c) Revenue Recognition**

#### **Government Grants**

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

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

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

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.

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 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 of 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 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:

|                               |             |
|-------------------------------|-------------|
| Building Improvements         | 20-40 years |
| Furniture and Equipment       | 5-10 years  |
| Information and Communication | 5 years     |
| Library Resources             | 8 years     |

Leased assets are depreciated over the life of the lease.

### **l) Intangible Assets**

#### *Software costs*

Computer software acquired by the School are 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 and these transactions 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 at any time.

#### **r) 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.

#### **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

|                                  | 2018             | 2018             | 2017             |
|----------------------------------|------------------|------------------|------------------|
|                                  | Actual           | Budget           | Actual           |
|                                  | \$               | (Unaudited)      | \$               |
| Operational grants               | 454,914          | 435,421          | 414,771          |
| Teachers' salaries grants        | 1,290,018        | 987,831          | 1,129,600        |
| Use of Land and Buildings grants | 368,823          | 316,923          | 344,020          |
| Other MoE Grants                 | 121,758          | 109,241          | 134,680          |
| Other government grants          | 34,174           | 25,000           | 18,322           |
|                                  | <u>2,269,687</u> | <u>1,874,416</u> | <u>2,041,393</u> |

## 3. Locally Raised Funds

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

|  | 2018           | 2018          | 2017          |
|--|----------------|---------------|---------------|
|  | Actual         | Budget        | Actual        |
|  | \$             | (Unaudited)   | \$            |
| <b>Revenue</b>                                   |                |               |               |
| Donations  | 7,056          | 10,500        | 6,822         |
| Bequests & Grants                                | 40,393         | 14,520        | 20,520        |
| Activities                                       | 54,309         | 1,000         | 64,855        |
| Trading  | 12,337         | 2,500         | 2,972         |
| Fundraising                                      | 1,356          | 600           | 1,077         |
|  | <u>115,451</u> | <u>29,120</u> | <u>96,246</u> |
| <b>Expenses</b>                                  |                |               |               |
| Activities                                       | 59,158         | 14,250        | 72,260        |
| Trading  | 12,309         | 2,500         | 3,777         |
|  | <u>71,467</u>  | <u>16,750</u> | <u>76,037</u> |
| <i>Surplus for the year Locally raised funds</i> | <u>43,984</u>  | <u>12,370</u> | <u>20,209</u> |

## 4. Learning Resources

|                              | 2018             | 2018             | 2017             |
|------------------------------|------------------|------------------|------------------|
|                              | Actual           | Budget           | Actual           |
|                              | \$               | (Unaudited)      | \$               |
| Curricular                   | 24,393           | 50,370           | 27,506           |
| Library resources            | 262              | 1,500            | 1,210            |
| Employee benefits - salaries | 1,536,285        | 1,185,456        | 1,352,721        |
| Staff development            | 17,941           | 16,500           | 12,890           |
| Book Room Resources          | 2,082            | 1,500            | 407              |
| Extra Curricular Activities  | 2,114            | 3,500            | 10,498           |
|                              | <u>1,583,077</u> | <u>1,258,826</u> | <u>1,405,232</u> |

## 5. Administration

|  | 2018           | 2018           | 2017           |
|--|----------------|----------------|----------------|
|  | Actual         | Budget         | Actual         |
|  | \$             | (Unaudited)    | \$             |
| Audit Fee                                      | 4,963          | 4,963          | 4,963          |
| Board of Trustees Fees                         | 3,300          | 3,850          | 3,335          |
| Board of Trustees Expenses                     | 988            | 2,500          | 1,556          |
| Communication                                  | 6,065          | 8,500          | 5,535          |
| Consumables                                    | 10,636         | 7,500          | 9,660          |
| Operating Lease                                | 535            | 5,000          | 3,210          |
| Other  | 23,854         | 19,344         | 20,066         |
| Employee Benefits - Salaries                   | 63,502         | 56,000         | 52,035         |
| Insurance                                      | 7,759          | 7,500          | 6,392          |
| Service Providers, Contractors and Consultancy | 10,380         | 12,000         | 13,900         |
|  | <u>131,982</u> | <u>127,157</u> | <u>120,652</u> |

## 6. Property

|                                     | 2018           | 2018<br>Budget | 2017           |
|-------------------------------------|----------------|----------------|----------------|
|                                     | Actual         | (Unaudited)    | Actual         |
|                                     | \$             | \$             | \$             |
| Caretaking and Cleaning Consumables | 41,642         | 37,000         | 14,751         |
| Cyclical Maintenance Expense        | 16,732         | 12,802         | 37,810         |
| Grounds                             | 16,751         | 12,500         | 15,834         |
| Heat, Light and Water               | 19,334         | 17,507         | 18,456         |
| Rates                               | 2,528          | 2,432          | 2,432          |
| Repairs and Maintenance             | 17,771         | 17,424         | 27,506         |
| Use of Land and Buildings           | 368,823        | 316,923        | 344,020        |
| Security                            | 4,865          | 3,000          | 2,644          |
| Employee Benefits - Salaries        | 49,429         | 47,500         | 64,865         |
|                                     | <u>537,875</u> | <u>467,088</u> | <u>528,318</u> |

The use of land and buildings figure represents 8% of the school's total property value. 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

|  | 2018          | 2018<br>Budget | 2017          |
|--|---------------|----------------|---------------|
|  | Actual        | (Unaudited)    | Actual        |
|  | \$            | \$             | \$            |
| Building Improvements                    | 9,265         | 8,859          | 9,235         |
| Furniture and Equipment                  | 15,603        | 15,318         | 15,967        |
| Information and Communication Technology | 16,184        | 11,784         | 12,284        |
| Leased Assets                            | 9,228         | 3,973          | 4,141         |
| Library Resources                        | 3,380         | 3,148          | 3,282         |
|  | <u>53,660</u> | <u>43,082</u>  | <u>44,909</u> |

## 8. Cash and Cash Equivalents

|  | 2018           | 2018<br>Budget | 2017           |
|--|----------------|----------------|----------------|
|  | Actual         | (Unaudited)    | Actual         |
|  | \$             | \$             | \$             |
| TSB Society Chq                          | 115,529        | -              | 129,114        |
| Cash equivalents for Cash Flow Statement | <u>115,529</u> | <u>-</u>       | <u>129,114</u> |

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

Of the \$115,529 Cash and Cash Equivalents, \$54,703 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan.

A further \$64,533 was returned to the Ministry of Education after balance date relating to the Capital Works Projects.

## 9. Accounts Receivable

|  | 2018           | 2018<br>Budget | 2017          |
|--|----------------|----------------|---------------|
|  | Actual         | (Unaudited)    | Actual        |
|  | \$             | \$             | \$            |
| Receivables                                | 13,811         | 12,208         | 460           |
| Interest Receivable                        | 2,976          | 3,297          | 3,272         |
| Teacher Salaries Grant Receivable          | 96,040         | 55,931         | 78,222        |
|  | <u>112,827</u> | <u>71,436</u>  | <u>81,954</u> |
| Receivables from Exchange Transactions     | 16,787         | 15,505         | 3,732         |
| Receivables from Non-Exchange Transactions | 96,040         | 55,931         | 78,222        |
|  | <u>112,827</u> | <u>71,436</u>  | <u>81,954</u> |

## 10. Inventories

|            | 2018<br>Actual<br>\$ | 2018<br>Budget<br>(Unaudited)<br>\$ | 2017<br>Actual<br>\$ |
|------------|----------------------|-------------------------------------|----------------------|
| Stationery | 1,415                | 1,075                               | 1,181                |
| Uniforms   | 1,550                | -                                   | -                    |
|            | <u>2,965</u>         | <u>1,075</u>                        | <u>1,181</u>         |

## 11. Investments

The School's investment activities are classified as follows:

|                          | 2018<br>Actual<br>\$ | 2018<br>Budget<br>(Unaudited)<br>\$ | 2017<br>Actual<br>\$ |
|--------------------------|----------------------|-------------------------------------|----------------------|
| Current Asset            |                      |                                     |                      |
| Short-term Bank Deposits | 229,352              | 188,056                             | 229,352              |

## 12. Property, Plant and Equipment

|                                    | Opening<br>Balance (NBV)<br>\$ | Additions<br>\$ | Disposals<br>\$ | Impairment<br>\$ | Depreciation<br>\$ | Total (NBV)<br>\$     |
|------------------------------------|--------------------------------|-----------------|-----------------|------------------|--------------------|-----------------------|
| <b>2018</b>                        |                                |                 |                 |                  |                    |                       |
| Building Improvements              | 142,816                        | 21,222          | -               | -                | (9,265)            | <b>154,773</b>        |
| Furniture and Equipment            | 56,891                         | 22,637          | (871)           | -                | (15,603)           | <b>63,054</b>         |
| Information and Communication Tech | 47,924                         | 14,912          | -               | -                | (16,184)           | <b>46,652</b>         |
| Leased Assets                      | 26,806                         | 14,096          | -               | -                | (9,228)            | <b>31,674</b>         |
| Library Resources                  | 12,501                         | 2,667           | -               | -                | (3,380)            | <b>11,788</b>         |
| <b>Balance at 31 December 2018</b> | <u>286,938</u>                 | <u>75,534</u>   | <u>(871)</u>    | <u>-</u>         | <u>(53,660)</u>    | <u><b>307,941</b></u> |

|                                    | Cost or<br>Valuation<br>\$ | Accumulated<br>Depreciation<br>\$ | Net Book<br>Value<br>\$ |
|------------------------------------|----------------------------|-----------------------------------|-------------------------|
| <b>2018</b>                        |                            |                                   |                         |
| Building Improvements              | 313,412                    | (158,639)                         | <b>154,773</b>          |
| Furniture and Equipment            | 368,730                    | (305,676)                         | <b>63,054</b>           |
| Information and Communication      | 125,759                    | (79,107)                          | <b>46,652</b>           |
| Leased Assets                      | 43,512                     | (11,838)                          | <b>31,674</b>           |
| Library Resources                  | 124,561                    | (112,773)                         | <b>11,788</b>           |
| <b>Balance at 31 December 2018</b> | <u>975,974</u>             | <u>(668,033)</u>                  | <u><b>307,941</b></u>   |

|                                    | Opening<br>Balance (NBV)<br>\$ | Additions<br>\$ | Disposals<br>\$ | Impairment<br>\$ | Depreciation<br>\$ | Total (NBV)<br>\$     |
|------------------------------------|--------------------------------|-----------------|-----------------|------------------|--------------------|-----------------------|
| <b>2017</b>                        |                                |                 |                 |                  |                    |                       |
| Building Improvements              | 152,051                        | -               | -               | -                | (9,235)            | <b>142,816</b>        |
| Furniture and Equipment            | 52,423                         | 20,435          | -               | -                | (15,967)           | <b>56,891</b>         |
| Information and Communication Tech | 28,419                         | 31,789          | -               | -                | (12,284)           | <b>47,924</b>         |
| Leased Assets                      | 2,780                          | 28,167          | -               | -                | (4,141)            | <b>26,806</b>         |
| Library Resources                  | 13,164                         | 2,619           | -               | -                | (3,282)            | <b>12,501</b>         |
| <b>Balance at 31 December 2017</b> | <u>248,837</u>                 | <u>83,010</u>   | <u>-</u>        | <u>-</u>         | <u>(44,909)</u>    | <u><b>286,938</b></u> |



| <b>2017</b>                        | <b>Cost or<br/>Valuation</b> | <b>Accumulated<br/>Depreciation</b> | <b>Net Book<br/>Value</b> |
|------------------------------------|------------------------------|-------------------------------------|---------------------------|
|                                    | <b>\$</b>                    | <b>\$</b>                           | <b>\$</b>                 |
| Building Improvements              | 292,191                      | (149,375)                           | <b>142,816</b>            |
| Furniture and Equipment            | 362,645                      | (305,754)                           | <b>56,891</b>             |
| Information and Communication      | 121,777                      | (73,853)                            | <b>47,924</b>             |
| Leased Assets                      | 29,416                       | (2,610)                             | <b>26,806</b>             |
| Library Resources                  | 121,895                      | (109,394)                           | <b>12,501</b>             |
| <b>Balance at 31 December 2017</b> | <b>927,924</b>               | <b>(640,986)</b>                    | <b>286,938</b>            |

### 13. Accounts Payable

|   | <b>2018<br/>Actual</b> | <b>2018<br/>Budget<br/>(Unaudited)</b> | <b>2017<br/>Actual</b> |
|---|------------------------|--|------------------------|
|   | <b>\$</b>              | <b>\$</b>                              | <b>\$</b>              |
| Operating creditors   | 50,219                 | 22,978                                 | 12,996                 |
| Accruals  | 4,963                  | 5,624                                  | 4,963                  |
| Capital accruals for PPE items  | 35,730                 | -                                      | 12,879                 |
| Banking staffing overuse  | 4,620                  | 16,776                                 | 4,673                  |
| Employee Entitlements - salaries  | 96,040                 | 55,931                                 | 78,222                 |
| Employee Entitlements - leave accrual                                   | 11,919                 | 8,331                                  | 11,957                 |
| Repayment of funds for Capital Works                                    | 74,213                 | -                                      | -                      |
|   | <b>277,704</b>         | <b>109,640</b>                         | <b>125,690</b>         |
| Payables for Exchange Transactions                                      | 273,084                | 92,864                                 | 121,017                |
| Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates) | -                      | -                                      | -                      |
| Payables for Non-exchange Transactions - Other                          | 4,620                  | 16,776                                 | 4,673                  |
|   | <b>277,704</b>         | <b>109,640</b>                         | <b>125,690</b>         |

The carrying value of payables approximates their fair value.

### 14. Revenue Received in Advance

|                   | <b>2018<br/>Actual</b> | <b>2018<br/>Budget<br/>(Unaudited)</b> | <b>2017<br/>Actual</b> |
|-------------------|------------------------|--|------------------------|
|                   | <b>\$</b>              | <b>\$</b>                              | <b>\$</b>              |
| Income in Advance | -                      | -                                      | 20,913                 |
| Family Accounts   | 1,323                  | 950                                    | 3,130                  |
|                   | <b>1,323</b>           | <b>950</b>                             | <b>24,043</b>          |

### 15. Provision for Cyclical Maintenance

|   | <b>2018<br/>Actual</b> | <b>2018<br/>Budget<br/>(Unaudited)</b> | <b>2017<br/>Actual</b> |
|---|------------------------|--|------------------------|
|   | <b>\$</b>              | <b>\$</b>                              | <b>\$</b>              |
| Provision at the Start of the Year        | 111,108                | 14,032                                 | 81,188                 |
| Increase to the Provision During the Year | 16,732                 | 12,802                                 | 37,810                 |
| Adjustment to the Provision               | (55,250)               | -                                      | -                      |
| Use of the Provision During the Year      | -                      | -                                      | (7,890)                |
| Provision at the End of the Year          | <b>72,590</b>          | <b>26,834</b>                          | <b>111,108</b>         |
| Cyclical Maintenance - Current            | 34,389                 | 9,375                                  | 74,375                 |
| Cyclical Maintenance - Term               | 38,201                 | 17,459                                 | 36,733                 |
|   | <b>72,590</b>          | <b>26,834</b>                          | <b>111,108</b>         |

## 16. Finance Lease Liability

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

|  | 2018<br>Actual<br>\$ | 2018<br>Budget<br>(Unaudited)<br>\$ | 2017<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| No Later than One Year                           | 13,301               | -                                   | 8,758                |
| Later than One Year and no Later than Five Years | 24,193               | -                                   | 24,441               |
|  | <u>37,494</u>        | <u>-</u>                            | <u>33,199</u>        |

## 17. 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:

|                                | 2018               | Opening<br>Balances<br>\$ | Receipts<br>from MoE<br>\$ | Payments<br>\$ | BOT<br>Contribution/<br>(Write-off to<br>R&M) | Closing<br>Balances<br>\$ |
|--------------------------------|--------------------|---------------------------|----------------------------|----------------|---|---------------------------|
| Electrical Upgrade 2018        | <i>completed</i>   | -                         | 63,495                     | 63,495         | -   | -                         |
| Boiler Burner Replacement      | <i>completed</i>   | -                         | 7,718                      | 7,718          | -   | -                         |
| Heating Upgrade (Kowhai& Hall) | <i>completed</i>   | -                         | 13,458                     | 13,458         | -   | -                         |
| Roofing Repairs & Replacement  | <i>in progress</i> | -                         | -                          | 23,678         | -   | (23,678)                  |
| Rationalisation H Block        | <i>in progress</i> | -                         | 58,500                     | 9,035          | -   | 49,465                    |
| G Blk Girls Toilet Floor       | <i>in progress</i> | -                         | 5,238                      | -              | -   | 5,238                     |
| Block K                        | <i>completed</i>   | (5,346)                   | -                          | (5,346)        | -   | -                         |
| Classroom Upgrade Block B      | <i>completed</i>   | 72,879                    | (64,533)                   | 8,346          | -   | -                         |
| Totals                         |                    | <u>67,533</u>             | <u>83,876</u>              | <u>120,384</u> | <u>-</u>                                      | <u>31,025</u>             |

### Represented by:

|   |               |
|---|---------------|
| Funds Held on Behalf of the Ministry of Education | 54,703        |
| Funds Due from the Ministry of Education          | (23,678)      |
|   | <u>31,025</u> |

|                               | 2017               | Opening<br>Balances<br>\$ | Receipts<br>from MoE<br>\$ | Payments<br>\$ | BOT<br>Contribution/<br>(Write-off to<br>R&M) | Closing<br>Balances<br>\$ |
|-------------------------------|--------------------|---------------------------|----------------------------|----------------|---|---------------------------|
| Office Block Door Replacement | <i>completed</i>   | (1,056)                   | -                          | (1,056)        | -   | -                         |
| Block K                       | <i>in progress</i> | (1,400)                   | -                          | 3,946          | -   | (5,346)                   |
| Classroom Upgrade Block B     | <i>in progress</i> | -                         | 73,943                     | 1,064          | -   | 72,879                    |
| Totals                        |                    | <u>(2,456)</u>            | <u>73,943</u>              | <u>3,954</u>   | <u>-</u>                                      | <u>67,533</u>             |

## 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 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.

## 19. 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<br>Actual<br>\$ | 2017<br>Actual<br>\$ |
|---|----------------------|----------------------|
| <i>Board Members</i>                        |                      |                      |
| Remuneration                                | 3,300                | 3,335                |
| Full-time equivalent members                | 0.12                 | 0.09                 |
| <i>Leadership Team</i>                      |                      |                      |
| Remuneration                                | 471,387              | 375,400              |
| Full-time equivalent members                | 4.96                 | 4.00                 |
| Total key management personnel remuneration | 474,687              | 378,735              |
| Total full-time equivalent personnel        | 5.08                 | 4.09                 |

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<br>Actual<br>\$000 | 2017<br>Actual<br>\$000 |
|---|-------------------------|-------------------------|
| <i>Salaries and Other Short-term Employee Benefits:</i> |                         |                         |
| Salary and Other Payments                               | 120 - 130               | 120 - 130               |
| Benefits and Other Emoluments                           | 3 - 4                   | 3 - 4                   |
| Termination Benefits                                    | -                       | -                       |

### Other Employees

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

| Remuneration<br>\$000 | 2018<br>FTE Number | 2017<br>FTE Number |
|-----------------------|--------------------|--------------------|
| 100 - 110             | -                  | -                  |
|                       | 0.00               | 0.00               |

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

## 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:

|                  | 2018<br>Actual | 2017<br>Actual |
|------------------|----------------|----------------|
| Total            | -              | -              |
| Number of People | -              | -              |

## 21. 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.

## 22. Commitments

### (a) Capital Commitments

There are no capital commitments as at 31 December 2018 (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 lease of laptops;

|  | 2018<br>Actual<br>\$ | 2017<br>Actual<br>\$ |
|--|----------------------|----------------------|
| No later than One Year                           | -                    | 135                  |
| Later than One Year and No Later than Five Years | -                    | -                    |
| Later than Five Years                            | -                    | -                    |
|  | <u>-</u>             | <u>135</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.

## 24. Financial Instruments

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

### Loans and receivables

|                             | 2018<br>Actual<br>\$ | 2018<br>Budget<br>(Unaudited)<br>\$ | 2017<br>Actual<br>\$ |
|-----------------------------|----------------------|-------------------------------------|----------------------|
| Cash and Cash Equivalents   | 115,529              | -                                   | 129,114              |
| Receivables                 | 112,827              | 71,436                              | 81,954               |
| Investments - Term Deposits | 229,352              | 188,056                             | 229,352              |
| Total Loans and Receivables | <u>457,708</u>       | <u>259,492</u>                      | <u>440,420</u>       |

### Financial liabilities measured at amortised cost

|  |                |                |                |
|--|----------------|----------------|----------------|
| Payables   | 277,704        | 109,640        | 125,690        |
| Borrowings - Loans                                     | -              | -              | -              |
| Finance Leases   | 33,875         | -              | 27,419         |
| Painting Contract Liability                            | -              | -              | -              |
| Total Financial Liabilities Measured at Amortised Cost | <u>311,579</u> | <u>109,640</u> | <u>153,109</u> |

## 25. Events After Balance Date

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

## 26. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.

## 27. New Plymouth Group Mowing Scheme

Puketapu School is part of a partnership in the New Plymouth Group Mowing Scheme. The mowing scheme is a partnership agreement between 21 schools in Taranaki. Each member's share in the scheme is only realisable on winding up of the scheme. If any member withdraws from the scheme and the majority wish to continue, the withdrawing member will forfeit their ownership rights and will not be purchased out by other members. The scheme is administered by Education Services Ltd and a Management Committee consisting of at least two representatives from the member schools. The balance date for the scheme is 31 March. The partnership is audited by Silks Audit Chartered Accountants Limited.

|                             |    |        |
|-----------------------------|----|--------|
| Total Equity as at 31/12/18 | \$ | 59,862 |
| Puketapu School Share       | \$ | 2,850  |
| Total Equity as at 31/12/17 | \$ | 61,880 |
| Puketapu School Share       | \$ | 2,946  |

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF PUKETAPU SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of Puketapu School (the School). The Auditor-General has appointed me, Carolyn Jackson, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

#### Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the statement of financial position as at 31 December 2018, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2018; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 31 May 2019. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

#### Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of the Board of Trustees for the financial statements

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to

enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Education Act 1989.

### **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arises from the Public Audit Act 2001.

### Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included on pages 23 to 31, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Carolyn Jackson  
Baker Tilly Staples Rodway Audit Limited  
On behalf of the Auditor-General  
New Plymouth, New Zealand



# Analysis of Variance Reporting



| <b>School Name:</b>   | Puketapu School, New Plymouth   | <b>School Number:</b> | 2223             |             |                     |                  |                  |             |                     |           |     |  |  |  |  |       |     |     |     |      |      |
|-----------------------|---|-----------------------|------------------|-------------|---------------------|------------------|------------------|-------------|---------------------|-----------|-----|--|--|--|--|-------|-----|-----|-----|------|------|
| <b>Strategic Aim:</b> | <b>Strategic Aim 4 - Sustainability @ Puketapu School</b><br>Sustain and continually improve the school's organisational culture through effective teaching, leadership and governance.   |                       |                  |             |                     |                  |                  |             |                     |           |     |  |  |  |  |       |     |     |     |      |      |
| <b>Annual Aim:</b>    | Improve learning outcomes for students to get 85% of students at or above their curriculum level for Maths  |                       |                  |             |                     |                  |                  |             |                     |           |     |  |  |  |  |       |     |     |     |      |      |
| <b>Target:</b>        | Improve learning outcomes for students to get 85% of students at or above their curriculum level for Maths  |                       |                  |             |                     |                  |                  |             |                     |           |     |  |  |  |  |       |     |     |     |      |      |
| <b>Baseline Data:</b> | <b>MATHEMATICS 2018</b> <table border="1" data-bbox="504 1053 1115 1414"> <thead> <tr> <th>At or above</th> <th>Maths 2017 (End)*</th> <th>Maths 2018 (Mid)</th> <th>Maths 2018 (End)</th> <th>Improvement</th> <th>Goal end 2019 (End)</th> </tr> </thead> <tbody> <tr> <td>At year 0</td> <td colspan="3">n/a</td> <td></td> <td></td> </tr> <tr> <td>After</td> <td>77%</td> <td>85%</td> <td>86%</td> <td>+10%</td> <td>+11%</td> </tr> </tbody> </table> |                       |                  | At or above | Maths 2017 (End)*   | Maths 2018 (Mid) | Maths 2018 (End) | Improvement | Goal end 2019 (End) | At year 0 | n/a |  |  |  |  | After | 77% | 85% | 86% | +10% | +11% |
| At or above           | Maths 2017 (End)*   | Maths 2018 (Mid)      | Maths 2018 (End) | Improvement | Goal end 2019 (End) |                  |                  |             |                     |           |     |  |  |  |  |       |     |     |     |      |      |
| At year 0             | n/a   |                       |                  |             |                     |                  |                  |             |                     |           |     |  |  |  |  |       |     |     |     |      |      |
| After                 | 77%   | 85%                   | 86%              | +10%        | +11%                |                  |                  |             |                     |           |     |  |  |  |  |       |     |     |     |      |      |



# Tātaritanga raraunga

|  |                           |       |     |     |      |      |
|--|---------------------------|-------|-----|-----|------|------|
|  | 1 year (40 weeks)         |       |     |     |      |      |
|  | After 2 years (80 weeks)  | 75%   | 59% | 76% | +17% | +15% |
|  | After 3 years (120 weeks) | 32%   | 43% | 71% | +28% | +15% |
|  | After 4 years             | 46.1% | 55% | 45% | -10% | +15% |
|  | After 5 years             | 65.8% | 45% | 36% | +11% | +15% |
|  | Year 6                    | 45.7% | 24% | 55% | +21% | +15% |
|  | Year                      | 62%   | 21% | 24% | +17% | +15% |
|  |                           |       |     |     |      |      |



# Tātaritanga raraunga

|               |  |     |     |     |      |
|---------------|--|-----|-----|-----|------|
| 7             |  |     |     |     |      |
| Year 8        |  | 39% | 36% | -3% | +15% |
| WHO LE SCHOOL |  | 55% | 61% | +6% | +15% |

NOTE: Data accuracy and moderation inconsistencies need to be monitored

2018 End of Year Population 349 total

Actual data reported

- Reading: 291
- Writing 281
- Maths 287

## MST @ Puketapu

|  |                                  |                                  |  |  |
|--|----------------------------------|----------------------------------|--|--|
|  |                                  |                                  | Increase of 2 curriculum stages Accelerated Progress | Increase of 3 curriculum stages Accelerated Progress |
|  | Progress within Curriculum Level | Increase of One Curriculum stage |  |  |



# Tātaritanga raraunga

|                         |            |            |            |           |
|-------------------------|------------|------------|------------|-----------|
| <b>Year</b><br><b>2</b> | <b>7</b>   | <b>2</b>   |            |           |
| <b>Year</b><br><b>3</b> | <b>2</b>   | <b>11</b>  | <b>1</b>   |           |
| <b>Year</b><br><b>4</b> | <b>2</b>   | <b>3</b>   | <b>5</b>   |           |
| <b>Year</b><br><b>5</b> | <b>5</b>   | <b>4</b>   | <b>1</b>   |           |
| <b>Year</b><br><b>6</b> | <b>4</b>   | <b>3</b>   | <b>3</b>   | <b>1</b>  |
| <b>Year</b><br><b>7</b> |            | <b>1</b>   |            |           |
| <b>Year</b><br><b>8</b> | <b>2</b>   | <b>1</b>   | <b>1</b>   |           |
|                         | <b>38%</b> | <b>43%</b> | <b>17%</b> | <b>2%</b> |



| <b>Actions</b><br><i>What did we do?</i>   | <b>Outcomes</b><br><i>What happened?</i>   | <b>Reasons for the variance</b><br><i>Why did it happen?</i>  | <b>Evaluation</b><br><i>Where to next?</i>  |
|--|--|---|---|
| <p><b>WHOLE SCHOOL</b></p> <p><b>MST</b> - We had a specialist Mathematics Support Teacher that was able to work alongside some of our teachers and grow capability.</p> <p><b>Change of SMS</b> - We had more of a focus on collecting and inputting our data into our new SMS (Linc-Ed) and this allowed us more clarity in seeing where students were achieving.</p> <p><b>TAI</b> - Teaching as Inquiry processes were refined and embedded in our teams led by our Deputy Principal.</p> <p><b>MST</b><br/>The Mathematics Support Teacher (MST) programme started in 2012 as part of the Programmes for Students initiative<sup>1</sup>. The MST programme</p> | <p><b>WHOLE SCHOOL</b></p> <p>We saw an increase of achievement from 55% to 61%. In our whole school Mathematics data. In all but two of the year levels we saw an increase that ranged from 1% through to 28% in our Year 3's.</p> <p>in our Year 4 cohort we saw a decrease of 10% in achievement in Maths.</p> <p><b>MST</b><br/>Out of the 59 students in our MST intake, 38% progressed within their curriculum level, 43% progressed one curriculum level, 17% progressed two curriculum levels and 2% progressed three curriculum levels.<br/><a href="#">MST Presentation</a><br/><a href="#">MST Data</a></p> | <p><b>Whole School Target</b></p> <p>Improve learning outcomes for students to get 85% of students at or above their curriculum level for Maths</p> <p>While we are pleased with our increase of 6% in our whole school Mathematics Achievement data we realise that we need to continue to make progress with our achievement rates for our target learners.</p> <p><b>Why did you get (or not get) the outcomes you thought you would?</b></p> <p><b>Roll Growth</b> - we had over 100 new students come in during the 2018 school year with a net gain of 80 students. This was challenging in gathering data in</p> | <p><b>Based on the outcomes and the reasons for these, what will you do the same/ differently next year?</b></p> <p><b>MST2</b></p> <p><b>Developing Mathematics Inquiry Communities (DMIC)</b> -<br/>The focus of the project has been on developing teacher expertise, pedagogical leadership, what it takes to develop in-class mentoring expertise, and conditions for sustainability and ongoing improvement. The approach views student engagement in collaborative mathematical discourse as an essential component for their learning of mathematics with understanding.<br/>Lifts in student achievement have been part of the success of DMIC, but the more important focus has</p> |

# Tātaritanga raraunga

provides release time for a teacher to work with groups of students with learning needs that require additional support to classroom teaching. The MST role is partly funded by the Ministry of Education.

## MST INQUIRY

### UDL - Mathematics

Will a focus on UDL principles; including engagement, provision of multiple types of representation, action and expression accelerate the achievement of struggling students in mathematics.

### SIT team

accelerate achievement of priority learners in supporting school wide teacher inquiry into practice in mathematics through the sharing of learning/expertise. Collaborating with teachers directly and through the SIT team.

[MST Presentation](#)

our Rimu team (Year 0-2).

**Traumatic Incident** - we had a staff member pass away in Term 1 which was responded to by the MoE traumatic incident team and this had an impact on our teaching and learning and system building for Term 2 & 3. Our behaviours spiked and instead of being proactive with teaching and learning, we became reactive to student behaviours and responsive to the grief and needs of our adults

**System Building** - We were still building our systems and while we are happy with them now, our leaders were focused on keeping a safe and orderly environment first and this meant that some of our systems fell down in regards to monitoring our achievement data, moderating assessments and having more urgency on raising achievement.

### Which strategies worked well

been on other valued outcomes including an increase in student voice and agency, increased pro-social skills, enhanced mathematical dispositions and the valuing of the mathematics within the home and cultural context.

**Linc Ed SMS** - Accountability in inputting data - make sure we meet our deadlines as leaders and teachers.

Targeted student learning plans - through using Linc Ed akonga, whanau and staff will know every student learning goals in Reading, Writing and Mathematics.

### Have you identified any ongoing teacher or student needs?

Yes. Our MST will be working with a group of teachers. We have two first-year PRT's and two second-year PRT's and our first years will have external tuakana-teina mentoring from a



**and had a significant impact on your progress in achieving your target? Why do you think this was the case?**

MST - as written about in the previous two columns.

TAI - for those staff that regularly checked those - which was led by their team leaders.

**Which strategies were not effective and had little or no impact in achieving your target? Why do you think this was the case?**

**1:1 digital technology -**  
Chromebooks - this was because the focus was not on the learning goals and the tools were not focused on the student's needs as much as they could have been.

MoE pilot program.

We have 7 new staff in our school with a variety of strengths and capabilities and we will be working on strengthening their capability and for them to share their expertise with other staff in their learning teams.

**Student Needs** - our journey is to continue to drive to empower our akonga to be active learners and not passive learners which is why we have chosen DMIC as our PLD for this year.

**What funding/resourcing may be necessary to support identified actions and needs?**

**MST** - funded by the MoE and our BoT

**DMIC** - Centrally funded PLD resources this

**Leadership Release** - we release our DP fulltime and our AP's every Thursday so that we can keep on top of our systems and



# Tātaritanga raraunga

|  |  |  |   |
|--|--|--|---|
|  |  |  | <p>make sure they don't break down like previous years.</p> |
|--|--|--|---|

## Planning for next year:

**Progress targets in 2019** - this year each learning team as part of their Teaching as Inquiry will be choosing progress targets. We would be wanting each team to progress their student achievement data by 15% overall. This would be instead of having a school-wide target of 85% overall. Monitoring our target students through Linc-Ed will be termly to make sure we are addressing their learning frequently.

**The accuracy of data** - we will reassess our student data at the beginning of the year to get our starting point for 2019. We will be expecting that every student has data entered into our Linc-Ed SMS so that this data can be used in each teacher's Teaching as Inquiry.



## Statement on Kiwisport Funding 2018

**"Kiwisport monitoring — what reporting information you need to provide**

**Your school needs to include a short statement in your annual report on how Kiwisport funding has been used to increase students' participation in organised sport."**

The Kiwisport component of the School's operational grant for 2018 was \$4,143.22.

These funds were spent by the school on resourcing a male and female Learning Assistant to organise sport (rugby, TGFU indoor games when wet, basketball, touch rugby, rugby league and ripper rugby) with the students at morning and lunch play (30 minutes every playtime). We also resourced a management unit for one of our teachers to be the Sports Co-ordinator and this has played a good part in developing our teams here at Puketapu School.

We continue to see a large percentage of our students playing in the local Bell Block Touch Rugby Competition. We had 12 teams with over 120 students playing. This has also increased the number of coaches in our school too.

In 2018 as a school we have continued to have the same amount of teams in netball, basketball, inline hockey and indoor netball. We have some of our students playing rugby league and rugby union for the local Bell Block sports clubs.

In 2019 we will continue this strategy of playing sport in morning and lunch playtime as I believe the better the playtime sport is, the better the participation in organised sport.

Thank you for the funding for our kura. This putea makes a big difference in the well being of our children inside and outside of school.

Nga mihi

Ngatai Walker (Tumuaki - Puketapu School)