

View Road School

Annual Report for the year ended 31 December 2018

Ministry Number:	1545
Principal:	Christine Hull
School Address:	16 View Road, Waiuku
School Postal Address:	16 View Road, Waiuku, 2123
School Phone:	09 235 8266
School Email:	admin@viewroad.school.nz
Service Provider:	Edtech Financial Services Ltd

View Road School

Members of the Board of Trustees

For the year ended 31 December 2018

Name	Position	How position on Board gained	Occupation	Term expired/expires
Phillippa Buchanan	Chair person	Elected 2016	Medical worker	June 2019
Peter Attwood		Elected 2016	Photo Printer	June 2019
Monique Wikaira		Elected 2016	ECE Teacher	June 2019
Zena Lewis now Ormsby		Elected 2016	Front of house staff	June 2019
Emma Holmes	Secretary	Elected 2016	Parent	June 2019

View Road School

Annual Report

For the year ended 31 December 2018

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View Road 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.

Phillippa Buchanan
Full Name of Board Chairperson

PERulce
Signature of Board Chairperson

04 Jun 19
Date:

Christine Hull
Full Name of Principal

[Signature]
Signature of Principal

31/05/2019
Date:

View Road School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	1,877,845	1,841,524	1,852,395
Locally Raised Funds	3	84,149	39,300	100,958
Interest Earned		1,528	-	448
		<u>1,963,522</u>	<u>1,880,824</u>	<u>1,953,801</u>
Expenses				
Locally Raised Funds	3	53,217	6,300	66,095
Learning Resources	4	1,065,439	1,083,510	1,116,803
Administration	5	72,261	81,865	68,978
Finance Costs		4,292	1,000	1,494
Property	6	637,018	671,595	684,958
Depreciation	7	34,319	42,000	39,445
Loss on Disposal of Property, Plant and Equipment		11,632	-	279
		<u>1,878,178</u>	<u>1,886,270</u>	<u>1,978,052</u>
Net Surplus/(Deficit) for the year		85,344	(5,446)	(24,251)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>85,344</u>	<u>(5,446)</u>	<u>(24,251)</u>

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

View Road School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Balance at 1 January	<u>(24,160)</u>	<u>(24,160)</u>	<u>91</u>
Total comprehensive revenue and expense for the year	85,344	(5,446)	(24,251)
Equity at 31 December	<u>61,184</u>	<u>(29,606)</u>	<u>(24,160)</u>
Retained Earnings	61,184	(29,606)	(24,160)
Equity at 31 December	<u>61,184</u>	<u>(29,606)</u>	<u>(24,160)</u>

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

View Road School

Statement of Financial Position

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	200,984	31,531	(307)
Accounts Receivable	9	76,092	67,500	69,048
GST Receivable		-	1,500	1,302
Prepayments		-	1,500	1,424
Inventories	10	5,757	6,500	6,977
		<u>282,833</u>	<u>108,531</u>	<u>78,444</u>
Current Liabilities				
GST Payable		1,074	-	-
Accounts Payable	12	80,120	108,400	109,018
Revenue Received in Advance	13	49,579	50,000	50,120
Painting Contract Liability - Current Portion	15	25,292	25,000	24,385
Finance Lease Liability - Current Portion	16	12,994	12,995	3,097
Funds Held for Capital Works Projects	17	117,176	-	-
		<u>286,235</u>	<u>196,395</u>	<u>186,620</u>
Working Capital Surplus/(Deficit)		(3,402)	(87,864)	(108,176)
Non-current Assets				
Property, Plant and Equipment	11	174,904	168,073	180,873
		<u>174,904</u>	<u>168,073</u>	<u>180,873</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	76,726	75,925	60,313
Painting Contract Liability	15	19,704	20,000	34,947
Finance Lease Liability	16	13,888	13,890	1,597
		<u>110,318</u>	<u>109,815</u>	<u>96,857</u>
Net Assets		<u>61,184</u>	<u>(29,606)</u>	<u>(24,160)</u>
Equity		<u>61,184</u>	<u>(29,606)</u>	<u>(24,160)</u>

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

View Road School

Statement of Cash Flows

For the year ended 31 December 2018

	2018	2018	2017
Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities			
Government Grants	377,398	329,524	310,553
Locally Raised Funds	84,605	88,300	106,503
Goods and Services Tax (net)	2,376	100	284
Payments to Employees	(133,820)	(128,650)	(177,964)
Payments to Suppliers	(211,550)	(171,145)	(218,038)
Interest Paid	(4,292)	(1,000)	(1,494)
Interest Received	1,528	-	454
Net cash from / (to) the Operating Activities	<u>116,245</u>	<u>117,129</u>	<u>20,298</u>
Cash flows from Investing Activities			
Proceeds from Sale of PPE (and Intangibles)	(11,632)	-	(279)
Purchase of PPE (and Intangibles)	6,157	48,308	(5,638)
Net cash from / (to) the Investing Activities	<u>(5,475)</u>	<u>48,308</u>	<u>(5,917)</u>
Cash flows from Financing Activities			
Finance Lease Payments	(12,319)	22,185	(11,966)
Painting Contract Payments	(14,336)	(14,100)	(13,092)
Funds Administered on Behalf of Third Parties	-	-	(2,680)
Funds Held for Capital Works Projects	117,176	-	-
Net cash from / (to) Financing Activities	<u>90,521</u>	<u>8,085</u>	<u>(27,738)</u>
Net increase/(decrease) in cash and cash equivalents	<u><u>201,291</u></u>	<u><u>173,522</u></u>	<u><u>(13,357)</u></u>
Cash and cash equivalents at the beginning of the year	8 (307)	(141,991)	13,050
Cash and cash equivalents at the end of the year	8 <u><u>200,984</u></u>	<u><u>31,531</u></u>	<u><u>(307)</u></u>

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.

View Road School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

Reporting Entity

View Road 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.

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 11.

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

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.

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.

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.

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.

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.

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

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.

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.

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.

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 under Schedule 6 Section 28 of the Education Act 1989 in relation to the acquisition of investment securities.

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.

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Buildings - School	5 years
Building improvements - Crown	5 years
Furniture and equipment	5 years
Information and communication technology	3-5 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value

Impairment of property, plant, and equipment

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

Non cash generating assets

Property, plant, and equipment are 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.

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.

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.

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

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.

Revenue Received in Advance

Revenue received in advance relates to fees received from camp and student fees 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 this revenue received in advance, should the School be unable to provide the services to which they relate.

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).

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, 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.

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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

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

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.

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

2 Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	320,584	300,283	308,745
Teachers' salaries grants	992,499	978,000	974,483
Use of Land and Buildings grants	507,948	534,000	534,022
Resource teachers learning and behaviour grants	547	1,000	848
Other MoE Grants	52,813	28,241	33,525
Other government grants	3,454	-	772
	<u>1,877,845</u>	<u>1,841,524</u>	<u>1,852,395</u>

3 Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
Donations	5,694	5,500	6,065
Fundraising	1,963	2,000	4,916
Other Revenue	11,883	7,300	7,106
Trading	7,167	7,000	16,996
Activities	57,442	17,500	65,875
	<u>84,149</u>	<u>39,300</u>	<u>100,958</u>
Expenses			
Activities	43,881	800	49,364
Trading	7,655	5,500	13,749
Fundraising costs	1,681	-	2,982
	<u>53,217</u>	<u>6,300</u>	<u>66,095</u>
	<u>30,932</u>	<u>33,000</u>	<u>34,863</u>

Surplus/ (Deficit) for the year Locally Raised Funds

4 Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	14,361	14,450	9,652
Equipment repairs	-	300	-
Information and communication technology	4,731	12,800	10,710
Library resources	470	710	816
Employee benefits - salaries	1,042,635	1,048,000	1,090,442
Staff development	3,242	7,250	5,183
	<u>1,065,439</u>	<u>1,083,510</u>	<u>1,116,803</u>

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

5 Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	6,357	5,200	5,753
Board of Trustees Fees	3,626	3,555	2,930
Board of Trustees Expenses	2,663	3,000	2,731
Communication	2,478	2,500	2,975
Consumables	7,988	12,500	11,330
Other	6,954	14,060	5,662
Employee Benefits - Salaries	34,302	33,000	29,683
Insurance	2,019	1,600	1,488
Service Providers, Contractors and Consultancy	5,874	6,450	6,426
	<u>72,261</u>	<u>81,865</u>	<u>68,978</u>

6 Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	6,549	7,500	7,293
Consultancy and Contract Services	13,424	14,000	15,149
Cyclical Maintenance Expense	27,369	16,000	26,027
Grounds	5,699	7,200	4,874
Heat, Light and Water	30,445	38,000	37,926
Rates	225	1,350	1,241
Repairs and Maintenance	16,034	13,545	10,943
Use of Land and Buildings	507,948	534,000	534,022
Security	477	2,000	2,007
Employee Benefits - Salaries	28,848	38,000	45,476
	<u>637,018</u>	<u>671,595</u>	<u>684,958</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.

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

7 Depreciation

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Buildings	4,136	5,500	5,169
Building Improvements - Crown	3,159	6,000	5,882
Furniture and Equipment	9,257	13,000	10,244
Information and Communication Technology	3,339	3,500	4,571
Leased Assets	12,311	11,500	10,741
Library Resources	2,117	2,500	2,838
	<u>34,319</u>	<u>42,000</u>	<u>39,445</u>

8 Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash on Hand	200	200	256
Bank Current Account	200,784	30,331	(1,537)
Bank Call Account	-	1,000	974
Cash and cash equivalents for Cash Flow Statement	<u>200,984</u>	<u>31,531</u>	<u>(307)</u>

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

Of the \$200,984 Cash and Cash Equivalents, \$117,176 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.

9 Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	2,014	1,000	3,011
Teacher Salaries Grant Receivable	74,078	66,500	66,037
	<u>76,092</u>	<u>67,500</u>	<u>69,048</u>
Receivables from Exchange Transactions	2,014	1,000	3,011
Receivables from Non-Exchange Transactions	74,078	66,500	66,037
	<u>76,092</u>	<u>67,500</u>	<u>69,048</u>

10 Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Stationery	984	1,000	1,321
School Uniforms	4,773	5,500	5,656
	<u>5,757</u>	<u>6,500</u>	<u>6,977</u>

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

11 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2018						
Land	55,000	-	-	-	-	55,000
Buildings	20,678	-	-	-	(4,136)	16,542
Building improvements	23,527	-	(7,734)	-	(3,159)	12,634
Furniture and equipment	44,167	3,444	(82)	-	(9,257)	38,272
Information and communication technology	11,756	2,210	(1,064)	-	(3,339)	9,563
Leased assets	5,881	34,507	-	-	(12,311)	28,077
Library resources	19,864	83	(3,014)	-	(2,117)	14,816
Balance at 31 December 2018	180,873	40,244	(11,894)	-	(34,319)	174,904

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2018			
Land	55,000	-	55,000
Buildings	116,000	(99,458)	16,542
Building improvements	96,850	(84,216)	12,634
Furniture and equipment	270,872	(232,600)	38,272
Information and communication technology	110,622	(101,059)	9,563
Leased assets	66,733	(38,656)	28,077
Library resources	79,514	(64,698)	14,816
Balance at 31 December 2018	795,591	(620,687)	174,904

The Board considers that no assets have suffered an impairment during the year.

The net carrying value of equipment held under a finance lease is \$28,077 (2017: \$5,881).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2017						
Land	55,000	-	-	-	-	55,000
Buildings	25,847	-	-	-	(5,169)	20,678
Building improvements	29,409	-	-	-	(5,882)	23,527
Furniture and equipment	51,222	3,189	-	-	(10,244)	44,167
Information and communication technology	15,236	1,091	-	-	(4,571)	11,756
Leased assets	16,622	-	-	-	(10,741)	5,881
Library resources	21,344	1,636	(278)	-	(2,838)	19,864
Balance at 31 December 2017	214,680	5,916	(278)	-	(39,445)	180,873

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2017			
Land	55,000	-	55,000
Buildings	116,000	(95,322)	20,678
Building improvements	148,974	(125,447)	23,527
Furniture and equipment	274,474	(230,307)	44,167
Information and communication technology	134,274	(122,518)	11,756
Leased assets	32,226	(26,345)	5,881
Library resources	93,638	(73,774)	19,864
Balance at 31 December 2017	854,586	(673,713)	180,873

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

12 Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	-	17,000	17,376
Accruals	4,807	3,900	3,836
Employee Entitlements - salaries	74,488	66,500	66,637
Employee Entitlements - leave accrual	825	21,000	21,169
	<u>80,120</u>	<u>108,400</u>	<u>109,018</u>
Payables for Exchange Transactions	80,120	108,400	109,018
	<u>80,120</u>	<u>108,400</u>	<u>109,018</u>

The carrying value of payables approximates their fair value.

13 Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Other	49,579	50,000	50,120
	<u>49,579</u>	<u>50,000</u>	<u>50,120</u>

14 Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	60,313	60,313	44,700
Increase to the Provision During the Year	27,369	16,000	26,027
Use of the Provision During the Year	(10,956)	(388)	(10,414)
Provision at the End of the Year	<u>76,726</u>	<u>75,925</u>	<u>60,313</u>
Cyclical Maintenance - Term	76,726	75,925	60,313
	<u>76,726</u>	<u>75,925</u>	<u>60,313</u>

15 Painting Contract Liability

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Liability	25,292	25,000	24,385
Non Current Liability	19,704	20,000	34,947
	<u>44,996</u>	<u>45,000</u>	<u>59,332</u>

In 2015 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering an eight year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2016, with regular maintenance in subsequent years. The agreement has an annual commitment of \$23,506. 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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

16 Finance Lease Liability

The school has entered into a number of finance lease agreements for teachers laptops, iPads and chromebooks. Minimum lease payments payable (includes interest portion):

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	16,105	12,995	24,385
Later than One Year and no Later than Five Years	15,311	13,890	34,947
	<u>31,416</u>	<u>26,885</u>	<u>59,332</u>

17 Funds Held for Capital Works Projects

During the year the school received and applied funding from the Ministry of Education for the following capital works projects:

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Main Switchboard Replacement	<i>Completed</i>	-	-	-	-	-
Roofing Project	<i>In progress</i>	-	129,990	13,651	-	116,339
Playground	<i>In progress</i>	-	128,320	127,483	-	837
Totals		-	<u>258,310</u>	<u>141,134</u>	-	<u>117,176</u>

Represented by:

Funds Held on Behalf of the Ministry of Education

117,176

117,176

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Main Switchboard Replacement	<i>in progress</i>	2,680	-	2,680	-	-
Totals		<u>2,680</u>	-	<u>2,680</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.

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

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 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	3,626	2,930
Full-time equivalent members	0.13	0.05
<i>Leadership Team</i>		
Remuneration	130,065	155,786
Full-time equivalent members	1.00	2.00
Total key management personnel remuneration	133,691	158,716
Total full-time equivalent personnel	1.13	2.05

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	120 - 130
Benefits and Other Emoluments	1 - 10	1 - 10
Termination Benefits		

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
120-130	-	1
	-	1

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

20 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

21 Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2018.

(Contingent liabilities and assets as 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.

View Road School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

22 Commitments

(a) Capital Commitments

The Board considers there to be no contractual commitments at the above date other than those disclosed in the preceding financial statements and detailed below.

(Capital commitments as at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December 2018 the Board has not entered into any new operating contracts:

	2018 Actual \$	2017 Actual \$
No later than One Year	-	1,303
	<u>-</u>	<u>1,303</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:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Loans and Receivables			
Cash and Cash Equivalents	200,984	31,531	(307)
Receivables	76,092	67,500	69,048
Total Loans and Receivables	<u>277,076</u>	<u>99,031</u>	<u>68,741</u>
Financial liabilities measured at amortised cost			
Payables	80,120	108,400	109,018
Finance Leases	26,882	26,885	4,694
Painting Contract Liability	44,996	45,000	59,332
Total Financial Liabilities Measured at Amortised Cost	<u>151,998</u>	<u>180,285</u>	<u>173,044</u>

25 Events After Balance Date

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



APPENDIX 1 – SUMMARY OF UNRECORDED PROPOSED ADJUSTING ENTRIES

Refer attached schedule of unadjusted errors.

Description	Assets	Liabilities	Reserves	Profit
	Dr(Cr)	Dr(Cr)	Dr(Cr)	Dr(Cr)
	\$	\$	\$	\$
Bulk grant payable PP21 & PP22		(7,277)		7,277
Net Effect of Adjustments not made:		(7,277)		7,277

