

# TE UKU SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2018

#### School Directory

Ministry Number:	2024
Principal:	Pip Mears
School Address:	3436 State Highway 23, Te Uku, Waikato
School Postal Address:	C/- Te Uku Store, Te Uku PDC, Te Uku 3266
School Phone:	07 825 5815
School Email:	<a href="mailto:office@teuku.school.nz">office@teuku.school.nz</a>

#### Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires
Kristi Daniel	Chair Person	Elected	May-19
Pip Mears	Principal	ex Officio	
Brenda Carter	Parent Rep	Elected	May-19
Katherine Parrott	Parent Rep	Elected	May-19
Angela Thompson	Parent Rep	Elected	May-19
Megan Wood	Parent Rep	Elected	May-19
Bernard Butler	Staff Rep	Elected	May-19

Accountant / Service Provider:	Peter Granville & Associates Ltd
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# TE UKU SCHOOL

Annual Report - For the year ended 31 December 2018

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# TE UKU SCHOOL

## Statement of Responsibility

For the year ended 31 December 2018

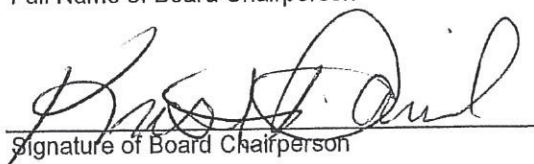
The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

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.

Kristi Daniel  
Full Name of Board Chairperson

  
Signature of Board Chairperson

29/07/19  
Date:

Pip Mears  
Full Name of Principal

  
Signature of Principal

18/07/19  
Date:

TE UKU SCHOOL

# Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

		2018	2018	2017
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Revenue</b>				
Government Grants	2	1,043,610	1,029,000	1,230,603
Locally Raised Funds	3	47,582	15,700	61,781
Interest Earned		2,908	2,500	2,764
		<u>1,094,100</u>	<u>1,047,200</u>	<u>1,295,148</u>
<b>Expenses</b>				
Locally Raised Funds	3	19,166	7,500	36,227
Learning Resources	4	658,114	667,753	843,144
Administration	5	60,365	65,017	61,688
Finance		1,908	-	2,448
Property	6	301,470	288,500	318,330
Depreciation	7	41,739	20,000	40,658
Loss on Disposal of Property, Plant and Equipment		548	-	-
		<u>1,083,310</u>	<u>1,048,770</u>	<u>1,302,495</u>
<b>Net Surplus/(Deficit) for the year</b>		10,790	(1,570)	(7,347)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>10,790</u>	<u>(1,570)</u>	<u>(7,347)</u>

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





TE UKU SCHOOL

# Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	448,831	448,831	446,850
Total comprehensive revenue and expense for the year	10,790	(1,570)	(7,347)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	4,285	-	9,328
Contribution - SNUP	10,349	-	-
Equity at 31 December	474,255	447,261	448,831
Retained Earnings	474,255	447,261	448,831
Equity at 31 December	474,255	447,261	448,831

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



**TE UKU 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	149,377	108,810	80,972
Accounts Receivable	9	49,802	43,500	45,009
GST Receivable		2,145	2,500	5,865
Prepayments		2,477	-	-
Inventories	10	2,749	2,500	2,484
Investments	11	73,955	70,000	72,291
		<u>280,505</u>	<u>227,310</u>	<u>206,621</u>
<b>Current Liabilities</b>				
Accounts Payable	13	53,331	57,000	59,629
Revenue Received In Advance	14	27,280	14,000	12,294
Finance Lease Liability - Current Portion	16	10,980	8,000	7,725
Funds held for Capital Works Projects	17	38,804	30,000	5,944
		<u>130,395</u>	<u>109,000</u>	<u>85,592</u>
<b>Working Capital Surplus</b>		150,110	118,310	121,029
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	366,953	366,951	365,955
		<u>366,953</u>	<u>366,951</u>	<u>365,955</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	34,220	30,000	30,280
Finance Lease Liability	16	8,588	8,000	7,873
		<u>42,808</u>	<u>38,000</u>	<u>38,153</u>
<b>Net Assets</b>		<u>474,255</u>	<u>447,261</u>	<u>448,831</u>
<b>Equity</b>		<u>474,255</u>	<u>447,261</u>	<u>448,831</u>

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



# TE UKU SCHOOL

## Statement of Cash Flows

For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		237,440	212,882	245,659
Locally Raised Funds		45,322	17,100	61,885
Goods and Services Tax (net)		3,720	3,300	2,059
Payments to Employees		(78,987)	(77,610)	(97,899)
Payments to Suppliers		(145,788)	(129,270)	(155,392)
Cyclical Maintenance Payments in the year		-	10,890	-
Interest Paid		(1,908)	-	(2,448)
Interest Received		2,091	2,480	2,694
<b>Net cash from / (to) the Operating Activities</b>		<b>61,890</b>	<b>39,772</b>	<b>56,558</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		(548)	-	-
Purchase of PPE (and Intangibles)		(30,817)	(20,994)	(32,365)
Purchase of Investments		(1,664)	2,000	(2,291)
<b>Net cash from / (to) the Investing Activities</b>		<b>(33,029)</b>	<b>(18,994)</b>	<b>(34,656)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		14,634	-	9,328
Finance Lease Payments		(7,950)	410	(2,422)
Funds Held for Capital Works Projects		32,860	20,725	(25,265)
<b>Net cash from Financing Activities</b>		<b>39,544</b>	<b>21,135</b>	<b>(18,359)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>68,405</b>	<b>41,913</b>	<b>3,543</b>
Cash and cash equivalents at the beginning of the year	8	80,972	66,897	77,429
Cash and cash equivalents at the end of the year	8	<b>149,377</b>	<b>108,810</b>	<b>80,972</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.





# TE UKU SCHOOL

## Notes to the Financial Statements

### For the year ended 31 December 2018

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Te Uku 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 comprises of stationery. 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.

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 \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

#### **Leased Assets**

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





### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	40 years
Furniture and equipment	10–15 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

### **l) 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.

### **m) 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.

### **n) 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.

### **o) 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.

### **p) 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 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).



**q) Financial Assets and Liabilities**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, finance lease liability, and painting liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

**r) 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.

**s) Budget Figures**

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

**t) 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 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	202,340	213,000	224,997
Teachers' salaries grants	586,496	588,000	726,417
Use of Land and Buildings grants	228,020	228,000	237,685
Resource teachers learning and behaviour grants	3,652	-	-
Other MoE Grants	23,102	-	41,504
	<u>1,043,610</u>	<u>1,029,000</u>	<u>1,230,603</u>

## 3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>			
Donations	18,175	7,000	21,262
Activities	19,738	1,200	22,086
Trading	3,616	3,000	5,483
Fundraising	4,788	4,500	5,361
Other Revenue	1,265	-	7,589
	<u>47,582</u>	<u>15,700</u>	<u>61,781</u>
<b>Expenses</b>			
Activities	11,577	500	32,119
Trading	3,199	3,000	4,108
Fundraising costs	4,390	4,000	-
	<u>19,166</u>	<u>7,500</u>	<u>36,227</u>
<i>Surplus for the year Locally raised funds</i>	<u>28,416</u>	<u>8,200</u>	<u>25,554</u>

## 4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	12,189	12,903	10,456
Information and communication technology	10,369	12,000	10,493
Extra-curricular activities	378	750	2,744
Library resources	249	400	686
Employee benefits - salaries	622,448	628,000	803,455
Staff development	12,481	13,700	15,310
	<u>658,114</u>	<u>667,753</u>	<u>843,144</u>





## 5. Administration

	2018	2018 Budget (Unaudited)	2017
	Actual \$	\$	Actual \$
Audit Fee	3,400	3,000	3,100
Board of Trustees Fees	2,904	3,240	2,705
Board of Trustees Expenses	731	1,670	837
Communication	1,520	2,250	2,142
Consumables	1,511	2,057	1,569
Operating Lease	3,207	12,700	(218)
Other	2,056	2,810	10,974
Employee Benefits - Salaries	34,719	29,500	30,750
Insurance	2,857	3,540	3,079
Service Providers, Contractors and Consultancy	7,460	4,250	6,750
	<u>60,365</u>	<u>65,017</u>	<u>61,688</u>

## 6. Property

	2018	2018 Budget (Unaudited)	2017
	Actual \$	\$	Actual \$
Caretaking and Cleaning Consumables	2,631	2,300	2,303
Consultancy and Contract Services	18,987	18,700	20,228
Cyclical Maintenance Expense	3,940	4,200	17,500
Grounds	6,690	6,200	10,948
Heat, Light and Water	18,058	17,000	18,037
Repairs and Maintenance	14,334	3,500	3,487
Use of Land and Buildings	228,020	228,000	237,685
Employee Benefits - Salaries	8,810	8,600	8,142
	<u>301,470</u>	<u>288,500</u>	<u>318,330</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 Budget (Unaudited)	2017
	Actual \$	\$	Actual \$
Building Improvements	6,053	2,000	6,148
Furniture and Equipment	18,684	10,500	17,643
Information and Communication Technology	9,864	5,000	11,858
Leased Assets	5,479	2,000	3,389
Library Resources	1,659	500	1,620
	<u>41,739</u>	<u>20,000</u>	<u>40,658</u>



## 8. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash on Hand	3,309	300	300
Bank Current Account	131,310	98,010	70,126
Bank Call Account	14,758	10,500	10,546
Cash and cash equivalents for Cash Flow Statement	<u>149,377</u>	<u>108,810</u>	<u>80,972</u>

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

Of the \$149,377 Cash and Cash Equivalents, \$38,804 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	3,658	-	-
Receivables from the Ministry of Education	7,684	5,000	5,302
Interest Receivable	1,297	500	480
Teacher Salaries Grant Receivable	37,163	38,000	39,227
	<u>49,802</u>	<u>43,500</u>	<u>45,009</u>
Receivables from Exchange Transactions	4,955	500	480
Receivables from Non-Exchange Transactions	44,847	43,000	44,529
	<u>49,802</u>	<u>43,500</u>	<u>45,009</u>

## 10. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Stationery	2,749	2,500	2,484
	<u>2,749</u>	<u>2,500</u>	<u>2,484</u>

## 11. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	73,955	70,000	72,291



## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	207,146	-	-	-	(6,053)	201,093
Furniture and Equipment	121,953	8,584	-	-	(18,684)	111,853
Information and Communication Technology	18,819	20,307	-	-	(9,864)	29,262
Leased Assets	6,694	11,920	-	-	(5,479)	13,135
Library Resources	11,343	2,474	(548)	-	(1,659)	11,610
				-		
<b>Balance at 31 December 2018</b>	<b>365,955</b>	<b>43,285</b>	<b>(548)</b>	<b>-</b>	<b>(41,739)</b>	<b>366,953</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	253,783	(52,690)	201,093
Furniture and Equipment	215,191	(103,338)	111,853
Information and Communication Technology	71,028	(41,766)	29,262
Leased Assets	22,902	(9,767)	13,135
Library Resources	38,833	(27,223)	11,610
<b>Balance at 31 December 2018</b>	<b>601,737</b>	<b>(234,784)</b>	<b>366,953</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building Improvements	213,294				(6,148)	207,146
Furniture and Equipment	120,970	18,626			(17,643)	121,953
Information and Communication Technology	18,987	11,690			(11,858)	18,819
Leased Assets	6,551	3,532			(3,389)	6,694
Library Resources	10,682	2,379	(98)		(1,620)	11,343
<b>Balance at 31 December 2017</b>	<b>370,484</b>	<b>36,227</b>	<b>(98)</b>	<b>-</b>	<b>(40,658)</b>	<b>365,955</b>

The net carrying value of equipment held under a finance lease is \$13,135 (2016: \$6,694).

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building Improvements	253,783	(46,637)	207,146
Furniture and Equipment	216,720	(94,767)	121,953
Information and Communication Technology	74,293	(55,474)	18,819
Leased Assets	10,982	(4,288)	6,694
Library Resources	38,536	(27,193)	11,343
<b>Balance at 31 December 2017</b>	<b>594,314</b>	<b>(228,359)</b>	<b>365,955</b>





### 13. Accounts Payable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating creditors	6,881	10,000	9,209
Accruals	6,555	6,500	6,095
Banking staffing overuse	-	-	2,860
Employee Entitlements - salaries	37,164	38,000	39,227
Employee Entitlements - leave accrual	2,731	2,500	2,238
	<u>53,331</u>	<u>57,000</u>	<u>59,629</u>
Payables for Exchange Transactions	53,331	57,000	59,629
	<u>53,331</u>	<u>57,000</u>	<u>59,629</u>

The carrying value of payables approximates their fair value.

### 14. Revenue Received in Advance

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance - Ministry of Education	23,239	10,000	9,651
Other	4,041	4,000	2,643
	<u>27,280</u>	<u>14,000</u>	<u>12,294</u>

### 15. Provision for Cyclical Maintenance

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	30,280	30,280	12,780
Increase/ (decrease) to the Provision During the Year	3,940	4,200	4,210
Use of the Provision During the Year	-	-	13,290
Provision at the End of the Year	<u>34,220</u>	<u>34,480</u>	<u>30,280</u>
Cyclical Maintenance - Term	34,220	30,000	30,280
	<u>34,220</u>	<u>30,000</u>	<u>30,280</u>

### 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	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	10,980	8,000	7,725
Later than One Year and no Later than Five Years	8,588	8,000	7,873
	<u>19,568</u>	<u>16,000</u>	<u>15,598</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 Contributions	Closing Balances \$
Sewerage System Repairs	<i>completed</i>	(1,245)			1,245	-
MLE Project	<i>in progress</i>	5,944	35,000	2,140		38,804
Totals		4,699	35,000	2,140	1,245	38,804

Represented by:

Funds Held on Behalf of the Ministry of Education

38,804

38,804

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Fencing Project	<i>completed</i>	(4,061)	6,201	2,173	33	-
Pool Upgrade	<i>completed</i>	(2,742)	1,951		791	-
MLE Project	<i>in progress</i>	34,185	-	28,241	-	5,944
Sewerage System Repairs	<i>in progress</i>	3,827	4,007	9,079	-	(1,245)
Totals		31,209	12,159	39,493	824	4,699

## 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 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	2,904	2,705
Full-time equivalent members	0.12	0.12
<i>Leadership Team</i>		
Remuneration	363,453	383,646
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	366,357	386,351
Total full-time equivalent personnel	4.12	4.12

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
Principal 1	0 - 40	-
Principal 2	70 - 80	-
Benefits and Other Emoluments	0 - 5	10 - 15
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 nil	2017 FTE Number nil
	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 Actual \$0	2017 Actual \$0
Total Number of People	0	0





## 21. Contingencies

There are no contingent liabilities (except for 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

As at 31 December 2018 the Board has entered into contract agreements for capital works as follows:

(a) \$529,000 contract for MLE to be completed in 2019, an was approved by the Ministry of Education. \$541,869 has been received of which \$503,065 has been spent on the project to date; and

(Capital commitments at 31 December 2017: \$536,268)

### (b) Operating Commitments

As at 31 December 2018 the Board has the following operating commitments:

(a) operating lease - Copy cost Ricoh

	2018 Actual \$	2017 Actual \$
No later than One Year	2,019	-
Later than One Year and No Later than Five Years	4,644	-
	<u>6,663</u>	<u>-</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 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	149,377	108,810	80,972
Receivables	49,802	43,500	45,009
Investments - Term Deposits	73,955	70,000	72,291
Total Loans and Receivables	<u>273,134</u>	<u>222,310</u>	<u>198,272</u>

### Financial liabilities measured at amortised cost

Payables	53,331	57,000	59,629
Finance Leases	19,568	16,000	15,598
Total Financial Liabilities Measured at Amortised Cost	<u>72,899</u>	<u>73,000</u>	<u>75,227</u>

## 25. Events After Balance Date

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



## **Te Uku School**

For the year 31 December 2018

### **Kiwisport**

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2018, the school received total Kiwisport funding of **\$1,537** (excluding GST). The funding was spent on **playground equipments such a balls, bats and sand pit materials. The school also used a portion of the money to support thier Y7/8 outdoor education programme - each child participated in a physical activity day in their local environment, this inlcuded team participation activities an rock climbing.**