

TE KUITI HIGH SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address: Hospital Road, Te Kuiti

School Postal Address: P O Box 264, Te Kuiti, 3941

School Phone: 07 878 6292

School Email: jn@tkhs.school.nz

Ministry Number: 160

TE KUITI HIGH SCHOOL

Financial Statements - For the year ended 31 December 2017

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Te Kuiti High School

Statement of Responsibility

For the year ended 31 December 2017

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

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.

Robyn Lindstrom
Full Name of Board Chairperson


Signature of Board Chairperson

28 Sept 2018.
Date:

Bruce Stephens
Full Name of Principal


Signature of Principal

28 Sept 2018.
Date:

Te Kuiti High School
Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue				
Government Grants	2	4,061,736	4,083,138	4,189,101
Locally Raised Funds	3	302,735	159,407	142,360
Interest Earned		14,061	10,900	10,113
Gain on Sale of Property, Plant and Equipment		609	-	-
International Students	4	24,696	40,000	41,842
		<u>4,403,837</u>	<u>4,293,445</u>	<u>4,383,416</u>
Expenses				
Locally Raised Funds	3	94,176	64,572	97,112
International Students	4	-	15,120	19,751
Learning Resources	5	2,766,053	2,807,675	2,780,082
Administration	6	258,071	252,955	277,123
Finance Costs		215	-	26
Property	7	1,104,267	1,050,683	1,016,427
Depreciation	8	149,216	102,324	124,694
Loss on Disposal of Property, Plant and Equipment		1,042	-	-
		<u>4,373,040</u>	<u>4,293,329</u>	<u>4,315,215</u>
Net Surplus / (Deficit)		30,797	116	68,201
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>30,797</u></u>	<u><u>116</u></u>	<u><u>68,201</u></u>

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

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

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
Balance at 1 January	<u>1,580,813</u>	<u>1,580,813</u>	<u>1,490,227</u>
Total comprehensive revenue and expense for the year	30,797	116	68,201
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	22,385
Equity at 31 December	<u>1,611,610</u>	<u>1,580,929</u>	<u>1,580,813</u>
Retained Earnings	1,611,610	1,580,929	1,580,813
Equity at 31 December	<u>1,611,610</u>	<u>1,580,929</u>	<u>1,580,813</u>

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

Te Kuiti High School
Statement of Financial Position

As at 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	9	572,218	980,696	843,204
Accounts Receivable	10	202,710	216,020	129,797
GST Receivable		24,372	31,775	28,029
Prepayments		14,318	9,837	17,474
Inventories	11	63,187	49,023	51,494
Investments	12	185,000	-	-
Funds owed for Capital Works Projects	19	-	-	185
Share Of Transport Network		55,636	14,019	34,430
		<u>1,117,441</u>	<u>1,301,370</u>	<u>1,104,613</u>
Current Liabilities				
Accounts Payable	14	235,263	297,843	231,304
Revenue Received in Advance	15	40,885	48,693	38,278
Provision for Cyclical Maintenance	16	84,563	216,800	38,500
Finance Lease Liability - Current Portion	17	1,606	-	387
Funds held in Trust	18	84,090	38,437	122,403
Funds held for Capital Works Projects	19	603	-	-
		<u>447,010</u>	<u>601,773</u>	<u>430,872</u>
Working Capital Surplus/(Deficit)		670,431	699,597	673,741
Non-current Assets				
Investments (more than 12 months)	12	8,874	8,874	8,874
Property, Plant and Equipment	13	941,068	884,180	936,009
Work in Progress		79,737	32,229	70,325
		<u>1,029,679</u>	<u>925,283</u>	<u>1,015,208</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	86,075	43,951	107,375
Finance Lease Liability	17	2,425	-	761
		<u>88,500</u>	<u>43,951</u>	<u>108,136</u>
Net Assets		<u>1,611,610</u>	<u>1,580,929</u>	<u>1,580,813</u>
Equity		<u>1,611,610</u>	<u>1,580,929</u>	<u>1,580,813</u>

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

Te Kuiti High School
Statement of Cash Flows
For the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		1,120,819	1,192,553	1,266,950
Locally Raised Funds		304,548	142,835	254,626
International Students		25,594	40,000	43,610
Goods and Services Tax (net)		3,657	-	3,746
Payments to Employees		(337,154)	(335,304)	(351,443)
Payments to Suppliers		(1,025,072)	(884,226)	(1,130,338)
Cyclical Maintenance Payments in the year		1,889	-	(44,483)
Interest Paid		(215)	-	(26)
Interest Received		12,768	10,900	10,067
Net cash from / (to) the Operating Activities		106,834	166,758	52,709
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(154,860)	(87,500)	(90,378)
Purchase of Investments		(185,000)	-	-
Net cash from / (to) the Investing Activities		(339,860)	(87,500)	(90,378)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	22,385
Finance Lease Payments		(250)	-	(151)
Funds Administered on Behalf of Third Parties		(38,313)	-	64,151
Funds Held for Capital Works Projects		603	-	-
Net cash from Financing Activities		(37,960)	-	86,385
Net increase/(decrease) in cash and cash equivalents		(270,986)	79,258	48,716
Cash and cash equivalents at the beginning of the year	9	843,204	901,438	794,488
Cash and cash equivalents at the end of the year	9	572,218	980,696	843,204

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 Kuiti High School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

Te Kuiti High School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.

Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

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 under section 28 of schedule 6 of the Education Act 1989 in relation to the acquisition of securities.

k) Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$1000 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:

Buildings	40 years
Furniture and Equipment	5-20 years
Information and Communication	3-5 years
Motor Vehicles	5 years
Textbooks	4 years
Library Resources	12.5% dv

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational grants	857,027	890,000	889,410
Teachers' salaries grants	2,077,474	2,151,062	2,114,080
Use of Land and Buildings grants	778,760	739,523	791,229
Ses Funding	1,145	-	-
Sef Income	38,164	-	33,322
Siep Income	-	-	5,685
Resource teachers learning and behaviour grants	-	10,000	4,991
Other MoE Grants	287,960	270,553	329,973
Transport grants	21,206	22,000	20,411
	4,061,736	4,083,138	4,189,101

3. Locally Raised Funds

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
Donations	12,411	8,500	(122,908)
Fundraising	8,114	6,700	30,724
Trading	33,706	34,000	31,610
Activities	152,807	87,657	127,356
Curriculum Recoveries	95,697	22,550	75,578
	302,735	159,407	142,360
Expenses			
Activities	58,573	37,572	54,945
Trading	33,529	27,000	38,686
Fundraising (costs of raising funds)	2,074	-	3,481
	94,176	64,572	97,112
<i>Surplus for the year Locally raised funds</i>	208,559	94,835	45,248

4. International Student Revenue and Expenses

	2017 Actual Number	2017 Budget (Unaudited) Number	2016 Actual Number
International Student Roll	2	2	2
Revenue			
International student fees	24,696	40,000	41,842
Expenses			
International student levy	-	-	335
Other Expenses	-	15,120	19,416
	-	15,120	19,751
<i>Surplus for the year International Students'</i>	24,696	24,880	22,091

5. Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	452,011	470,763	449,198
Extra-curricular activities	60,301	13,850	30,269
Library resources	540	2,500	985
Employee benefits - salaries	2,240,082	2,310,562	2,295,098
Staff development	13,119	10,000	4,532
	<u>2,766,053</u>	<u>2,807,675</u>	<u>2,780,082</u>

6. Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,300	5,200	5,200
Board of Trustees Fees	3,865	3,800	3,720
Board of Trustees Expenses	4,912	9,850	5,936
Communication	8,800	12,200	8,941
Consumables	15,513	16,600	19,991
Operating Lease	11,224	3,570	16,111
Legal Fees	242	2,000	235
Other	29,538	27,755	37,830
Employee Benefits - Salaries	151,735	141,500	154,764
Insurance	11,162	14,700	9,995
Service Providers, Contractors and Consultancy	15,780	15,780	14,400
	<u>258,071</u>	<u>252,955</u>	<u>277,123</u>

7. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	79,612	85,100	79,649
Cyclical Maintenance Expense	39,737	36,000	(54,711)
Grounds	24,663	16,200	18,265
Heat, Light and Water	65,872	71,500	65,412
Rates	9,735	12,000	10,563
Repairs and Maintenance	64,977	50,000	59,665
Use of Land and Buildings	778,760	739,523	791,229
Employee Benefits - Salaries	40,911	40,360	46,355
	<u>1,104,267</u>	<u>1,050,683</u>	<u>1,016,427</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Depreciation

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	15,434	11,357	13,840
Building Improvements	1,742	1,128	1,375
Furniture and Equipment	52,885	35,773	43,594
Information and Communication Technology	47,973	29,021	35,365
Motor Vehicles	22,990	18,866	22,990
Textbooks	775	1,352	1,648
Leased Assets	751	111	135
Library Resources	6,666	4,716	5,747
	<u>149,216</u>	<u>102,324</u>	<u>124,694</u>

9. Cash and Cash Equivalents

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	100	100	100
Bnz Cheque Account	67,964	948,165	735,038
Transport Network Account	84,154	32,431	108,066
Term Deposit 2	185,000	-	-
Term Deposit	235,000	-	-
Cash equivalents and bank overdraft for Cash Flow Statement	<u>572,218</u>	<u>980,696</u>	<u>843,204</u>

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

Of the \$572,218 Cash and Cash Equivalents, \$603 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2018 on Crown owned school buildings under the School's Five Year Property Plan.

10. Accounts Receivable

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	10,111	10,010	6,902
Receivables from the Ministry of Education	59,172	-	-
Interest Receivable	1,339	32	46
Teacher Salaries Grant Receivable	132,088	205,978	122,849
	<u>202,710</u>	<u>216,020</u>	<u>129,797</u>
Receivables from Exchange Transactions	11,450	10,042	6,948
Receivables from Non-Exchange Transactions	191,260	205,978	122,849
	<u>202,710</u>	<u>216,020</u>	<u>129,797</u>

11. Inventories

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	14,656	11,485	10,830
Uniform	48,531	37,538	40,664
	<u>63,187</u>	<u>49,023</u>	<u>51,494</u>

12. Investments

The School's investment activities are classified as follows:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Asset			
Short-term Bank Deposits	185,000	-	-
Shares In K C Energy	8,874	8,874	8,874

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2017						
Land	39,000	-	-	-	-	39,000
Buildings	414,028	15,551	-	-	(15,434)	414,146
Building Improvements	39,982	28,893	-	-	(1,742)	67,133
Furniture and Equipment	279,677	53,893	-	-	(52,885)	280,685
Information and Communication Tech	58,676	47,297	-	-	(47,973)	58,000
Motor Vehicles	57,476	-	-	-	(22,990)	34,486
Textbooks	1,550	-	-	-	(775)	775
Leased Assets	1,105	3,741	-	-	(751)	4,095
Library Resources	44,515	5,943	(1,042)	-	(6,666)	42,748
Balance at 31 December 2017	936,009	155,318	(1,042)	-	(149,216)	941,068

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2017			
Land	39,000	-	39,000
Buildings	569,165	(155,019)	414,146
Building Improvements	83,910	(16,777)	67,133
Furniture and Equipment	1,126,704	(846,019)	280,685
Information and Communication	717,484	(659,484)	58,000
Motor Vehicles	198,184	(163,698)	34,486
Textbooks	135,797	(135,022)	775
Leased Assets	4,981	(886)	4,095
Library Resources	89,096	(46,348)	42,748
Balance at 31 December 2017	2,964,321	(2,023,253)	941,068

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2016						
Land	39,000	-	-	-	-	39,000
Buildings	427,869	-	-	-	(13,840)	414,028
Building Improvements	41,358	-	-	-	(1,375)	39,982
Furniture and Equipment	274,322	48,948	-	-	(43,594)	279,677
Information and Communication Technology	55,864	38,178	-	-	(35,365)	58,676
Motor Vehicles	80,466	-	-	-	(22,990)	57,476
Textbooks	3,198	-	-	-	(1,648)	1,550
Leased Assets	-	1,240	-	-	(135)	1,105
Library Resources	41,928	8,334	-	-	(5,747)	44,515
Balance at 31 December 2016	964,005	96,700	-	-	(124,694)	936,009

2016	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	39,000	-	39,000
Buildings	553,614	(139,586)	414,028
Building Improvements	55,018	(15,036)	39,982
Furniture and Equipment	1,072,812	(793,135)	279,677
Information and Communication	670,187	(611,511)	58,676
Motor Vehicles	219,517	(162,041)	57,476
Textbooks	135,797	(134,247)	1,550
Leased Assets	1,240	(135)	1,105
Library Resources	85,932	(41,417)	44,515
Balance at 31 December 2016	2,833,117	(1,897,108)	936,009

14. Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	57,235	64,768	51,117
Accruals	5,300	5,980	5,980
Capital accruals for PPE items	2,068	-	5,845
Banking staffing overuse	-	6,056	12,634
Employee Entitlements - salaries	132,088	205,978	122,849
Employee Entitlements - leave accrual	38,572	15,061	32,879
	235,263	297,843	231,304
Payables for Exchange Transactions	235,263	291,787	218,670
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	6,056	12,634
	235,263	297,843	231,304

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Student Grants (Winz/Trusts)	16,021	6,548	14,412
Calculator-Deposits Received	71	71	71
International Students in advance	24,741	42,074	23,842
Other Funds In Advance	52	-	(47)
	40,885	48,693	38,278

16. Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	145,875	441,551	245,069
Increase/(decrease) to the Provision During the Year	31,306	36,000	(48,270)
Use of the Provision During the Year	(6,543)	(216,800)	(50,924)
Provision at the End of the Year	<u>170,638</u>	<u>260,751</u>	<u>145,875</u>
Cyclical Maintenance - Current	84,563	216,800	38,500
Cyclical Maintenance - Term	86,075	43,951	107,375
	<u>170,638</u>	<u>260,751</u>	<u>145,875</u>

17. Finance Lease Liability

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	1,606	-	387
Later than One Year and no Later than Five Years	2,425	-	761
	<u>4,031</u>	<u>-</u>	<u>1,148</u>

18. Funds held in Trust

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	84,090	38,437	122,403
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>84,090</u>	<u>38,437</u>	<u>122,403</u>

These funds are held where the school is agent for representative amounts and therefore these are not included in the Statement of Comprehensive Revenue and Expense.

19. Funds Held (Owed) for Capital Works Projects

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

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Remedial repairs Admin	<i>in progress</i>	(185)	4,639	3,851	-	603
Totals		<u>(185)</u>	<u>4,639</u>	<u>3,851</u>	<u>-</u>	<u>603</u>
Represented by:						
Funds Held on Behalf of the Ministry of Education						603
Funds Due from the Ministry of Education						-
						<u>603</u>

	2016	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Remedial repairs Admin	<i>in progress</i>	-	-	185	-	(185)
Totals		-	-	185	-	(185)

20. Related Party Transactions

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

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

21. Remuneration

Key management personnel compensation

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

	2017 Actual	2016 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,865	3,720
Full-time equivalent members	0.15	0.08
<i>Leadership Team</i>		
Remuneration	436,690	1,401,894
Full-time equivalent members	4.00	16.00
Total key management personnel remuneration	440,555	1,405,614
Total full-time equivalent personnel	4.15	16.08

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

Principal

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

	2017 Actual	2016 Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	140 - 150
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2017 FTE Number	2016 FTE Number
100 - 110	1.00	-
	<u>1.00</u>	<u>0.00</u>

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

22. Compensation and Other Benefits Upon Leaving

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

	2017 Actual	2016 Actual
Total	-	-
Number of People	-	-

23. Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2017 (Contingent liabilities and assets at 31 December 2016: nil).

24. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2017 (Capital commitments at 31 December 2016: nil).

(b) Operating Commitments

As at 31 December 2017 the Board has entered into the following contracts:

(a) operating lease of laptops;

	2017 Actual \$	2016 Actual \$
No later than One Year	1,250	2,838
Later than One Year and No Later than Five Years	-	1,250
Later than Five Years	-	-
	<u>1,250</u>	<u>4,088</u>

25. Managing Capital

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

26. Financial Instruments

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

Loans and receivables

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	572,218	980,696	843,204
Receivables	202,710	216,020	129,797
Investments - Term Deposits	193,874	8,874	8,874
Total Loans and Receivables	<u>968,802</u>	<u>1,205,590</u>	<u>981,875</u>

Financial liabilities measured at amortised cost

Payables	235,263	297,843	231,304
Borrowings - Loans	-	-	-
Finance Leases	4,031	-	1,148
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>239,294</u>	<u>297,843</u>	<u>232,452</u>

27. Events After Balance Date

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

28. Te Kuiti Transport Network Group

For the year ended 31 December 2017

	Closing balance 2016	% split	MOE Income 2017	Other income 2017	Expenditure 2017	Disbursements 2017	Balance 2017
Te Kuiti High School	34,430	34.80%	128,507	680	107,982	34,800	20,836
Te Kuiti Primary School	24,156	26.10%	96,381	510	80,986	26,100	13,961
Rangitoto Primary	13,483	13.00%	48,006	254	40,338	13,000	8,405
Pukenui School	12,871	14.00%	51,698	274	43,441	14,000	7,403
St Josephs School	8,149	8.90%	32,865	174	27,616	8,900	4,672
Centennial Park School	2,914	3.20%	11,817	63	9,929	3,200	1,664
	96,004		369,274	1,955	310,293	100,000	56,940

Members of the Board of Trustees

For the year 1 January to 31 December 2017

School Name: TE KUITI HIGH SCHOOL

BOT MEMBERS:

NAME	POSITION HELD	HOW POSITION ON THE BOARD WAS GAINED Elected/Co-opted	OCCUPATION	TERM EXPIRES
Robyn Lindstrom	chairperson	Elected	self employed physio	2019
Christine Mans	deputy chair	Elected	finance manager for Tourism Holdings Ltd	2019
Hilary Karaitiana	member	Elected	self employed to social services	2019
Andy Mapeson	member	Elected	minister of the church	2019
Jill Searancke	member	Elected	administrator	2018
Hannah Searancke	student rep	Elected	student	09/2017
Hannah Brough (elected then resigned)	student rep	Elected	student	01/2018
Romano Manuel	teacher rep	Elected	teacher	2019

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2017, the school received total Kiwisport funding of \$6,089 (excluding GST). The funding was spent on sporting endeavours.