

# BROAD BAY SCHOOL

## FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2017**

School Address: Roebuck Rise, Broad Bay, Dunedin 9014

School Postal Address: Roebuck Rise, Broad Bay, Dunedin 9014

School Phone: 03 478 0706

School Email: [principal@broadbay.school.nz](mailto:principal@broadbay.school.nz)

Ministry Number: 3718

# BROAD BAY SCHOOL

Financial Statements - For the year ended 31 December 2017

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# Broad Bay 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.

Sean Hogan

Full Name of Board Chairperson



Signature of Board Chairperson

28/05/18

Date:

Greg MacLeod

Full Name of Principal



Signature of Principal

28/05/18

Date:

**Broad Bay School****Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Revenue</b>				
Government Grants	2	483,933	466,159	468,919
Locally Raised Funds	3	23,326	22,270	21,473
Interest Earned		2,259	2,800	2,631
Gain on Sale of Property, Plant and Equipment		-	-	478
		<hr/>	<hr/>	<hr/>
		509,518	491,229	493,501
<b>Expenses</b>				
Locally Raised Funds	3	15,721	22,250	12,177
Learning Resources	4	313,429	346,620	297,300
Administration	5	37,206	34,895	36,851
Finance		240	220	204
Property	6	95,494	117,579	108,833
Depreciation	7	12,281	12,231	11,959
Loss on Disposal of Property, Plant and Equipment		1,126	100	1,743
		<hr/>	<hr/>	<hr/>
		475,497	533,895	469,067
<b>Net Surplus / (Deficit) for the year</b>		34,021	(42,666)	24,434
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		34,021	(42,666)	24,434

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

## Broad Bay School

# Statement of Changes in Net Assets/Equity

For the year ended 31 December 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
<b>Balance at 1 January</b>	163,945	129,355	139,511
Total comprehensive revenue and expense for the year	34,021	(42,666)	24,434
<b>Equity at 31 December</b>	197,966	86,689	163,945
Retained Earnings	197,966	86,689	163,945
Reserves	-	-	-
<b>Equity at 31 December</b>	197,966	86,689	163,945

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

# Broad Bay School

## Statement of Financial Position

As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	112,849	86,689	129,355
Accounts Receivable	9	19,075	-	28,022
Prepayments		451	-	287
Inventories	10	296	-	238
Investments	11	60,000	-	60,000
		<u>192,671</u>	<u>86,689</u>	<u>217,902</u>
<b>Current Liabilities</b>				
GST Payable		6,758	-	4,430
Accounts Payable	13	24,469	-	31,031
Provision for Cyclical Maintenance	14	-	-	24,000
Finance Lease Liability - Current Portion	15	4,564	-	1,125
		<u>35,791</u>	<u>-</u>	<u>60,586</u>
<b>Working Capital Surplus/(Deficit)</b>		156,880	86,689	157,316
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	61,294	-	50,301
		<u>61,294</u>	<u>-</u>	<u>50,301</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	7,650	-	42,125
Finance Lease Liability	15	12,558	-	1,547
		<u>20,208</u>	<u>-</u>	<u>43,672</u>
<b>Net Assets</b>		<u>197,966</u>	<u>86,689</u>	<u>163,945</u>
<b>Equity</b>		<u>197,966</u>	<u>86,689</u>	<u>163,945</u>

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

## Broad Bay School

# Statement of Cash Flows

For the year ended 31 December 2017

	2017	2017	2016
Note	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
<b>Cash flows from Operating Activities</b>			
Government Grants	133,500	121,000	128,958
Locally Raised Funds	23,571	22,270	18,800
Goods and Services Tax (net)	2,330	-	(1,308)
Payments to Employees	(77,108)	(89,130)	(59,573)
Payments to Suppliers	(67,598)	(78,755)	(55,791)
Cyclical Maintenance Payments in the year	(22,509)	(8,300)	
Interest Paid	(78)	(220)	
Interest Received	1,752	2,800	2,954
Net cash from / (to) the Operating Activities	<u>(6,141)</u>	<u>(30,335)</u>	<u>34,040</u>
<b>Cash flows from Investing Activities</b>			
Proceeds from Sale of PPE (and Intangibles)	(1,126)	(100)	
Purchase of PPE (and Intangibles)	(7,689)	(12,231)	(7,649)
Purchase of Investments	-	-	(60,000)
Net cash from / (to) the Investing Activities	<u>(8,815)</u>	<u>(12,331)</u>	<u>(67,649)</u>
<b>Cash flows from Financing Activities</b>			
Finance Lease Payments	(1,550)	-	(508)
Funds Held for Capital Works Projects	-	-	(1,921)
Net cash from Financing Activities	<u>(1,550)</u>	<u>-</u>	<u>(2,429)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u><u>(16,506)</u></u>	<u><u>(42,666)</u></u>	<u><u>(36,038)</u></u>
Cash and cash equivalents at the beginning of the year	8 129,355	129,355	165,393
<b>Cash and cash equivalents at the end of the year</b>	8 <u>112,849</u>	<u>86,689</u>	<u>129,355</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 excluded.

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

## Broad Bay School

### Notes to the Financial Statements

## 1. Statement of Accounting Policies

For the year ended 31 December 2017

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

Broad Bay 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 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 15.

*Recognition of grants*

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward 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 Schedule 6, Section 28 of the Education Act 1989 in relation to the acquisition of investment securities.

**k) Property, Plant and Equipment**

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

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

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

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

**Leased Assets**

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

**Depreciation**

Property, plant and equipment 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	6-50 years
Furniture and equipment	4-20 years
Leased assets held under a Finance Lease	4 years
Library resources	10 years

**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 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) 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).

**p) 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.

**q) 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.

**r) Budget Figures**

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

**s) 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	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	102,999	99,000	107,583
Teachers' salaries grants	250,441	261,000	256,714
Use of Land and Buildings grants	100,859	84,159	84,159
Other MoE Grants	1,054	500	480
Other government grants	28,580	21,500	19,983
	<u>483,933</u>	<u>466,159</u>	<u>468,919</u>

**3. Locally Raised Funds**

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	9,887	7,000	10,208
Fundraising	-	1,000	-
Other revenue	546	-	17
Trading	1,144	1,420	1,265
Activities	11,749	12,850	9,983
	<u>23,326</u>	<u>22,270</u>	<u>21,473</u>
<b>Expenses</b>			
Activities	5,326	7,850	4,753
Trading	7,477	6,400	6,158
Fundraising (costs of raising funds)	-	1,000	-
Other Locally Raised Funds Expenditure	2,918	7,000	1,266
	<u>15,721</u>	<u>22,250</u>	<u>12,177</u>
<i>Surplus for the year Locally raised funds</i>	<u>7,605</u>	<u>20</u>	<u>9,296</u>

**4. Learning Resources**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	8,024	6,070	5,661
Equipment repairs	456	4,000	306
Information and communication technology	2,659	5,700	948
Library resources	-	1,200	160
Employee benefits - salaries	298,233	323,500	286,811
Staff development	4,057	6,150	3,414
	<u>313,429</u>	<u>346,620</u>	<u>297,300</u>

**5. Administration**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	\$
Audit Fee	2,659	3,200	3,169
Board of Trustees Fees	3,570	2,700	3,990
Board of Trustees Expenses	1,314	1,960	1,832
Communication	604	650	597
Consumables	1,481	1,250	1,223
Operating Lease	2,277	2,400	2,334
Other	3,845	4,355	4,361
Employee Benefits - Salaries	18,151	15,130	15,147
Insurance	-	-	948
Service Providers, Contractors and Consultancy	3,305	3,250	3,250
	<u>37,206</u>	<u>34,895</u>	<u>36,851</u>

**6. Property**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	\$
Caretaking and Cleaning Consumables	3,067	2,000	1,376
Cyclical Maintenance Expense	(35,966)	8,300	1,125
Grounds	1,944	2,220	3,134
Heat, Light and Water	4,922	5,100	4,997
Rates	2,046	2,050	2,045
Repairs and Maintenance	7,457	2,250	952
Use of Land and Buildings	100,859	84,159	84,159
Employee Benefits - Salaries	11,165	11,500	11,045
	<u>95,494</u>	<u>117,579</u>	<u>108,833</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.

**7. Depreciation**

	2017	2017	2016
	Actual	Budget	Actual
		(Unaudited)	
Building Improvements	830	830	919
Furniture and Equipment	8,400	8,940	8,907
Leased Assets	1,596	1,152	864
Library Resources	1,455	1,309	1,269
	<u>12,281</u>	<u>12,231</u>	<u>11,959</u>

**8. Cash and Cash Equivalents**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	69	-	-
Bank Current Account	110,493	86,689	128,165
Bank Call Account	2,287	-	1,190
Cash equivalents and bank overdraft for Cash Flow Statement	112,849	86,689	129,355

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

**9. Accounts Receivable**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	-	-	1,475
Receivables from the Ministry of Education	-	-	1,921
Interest Receivable	1,017	-	510
Teacher Salaries Grant Receivable	18,058	-	24,116
	19,075	-	28,022
Receivables from Exchange Transactions	1,017	-	1,985
Receivables from Non-Exchange Transactions	18,058	-	26,037
	19,075	-	28,022

**10. Inventories**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	296	-	238
	296	-	238

**11. Investments**

The School's investment activities are classified as follows:

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	60,000	-	60,000

**12. Property, Plant and Equipment**

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2017</b>						
Building Improvements	6,672	-	-	-	(830)	<b>5,842</b>
Furniture and Equipment	30,670	7,310	(1,126)	-	(8,400)	<b>28,454</b>
Leased Assets	2,591	15,999	-	-	(1,596)	<b>16,994</b>
Library Resources	10,368	1,091	-	-	(1,455)	<b>10,004</b>
<b>Balance at 31 December 2017</b>	<b>50,301</b>	<b>24,400</b>	<b>(1,126)</b>	<b>-</b>	<b>(12,281)</b>	<b>61,294</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2017</b>			
Building Improvements	59,086	(53,244)	<b>5,842</b>
Furniture and Equipment	110,994	(82,540)	<b>28,454</b>
Leased Assets	19,455	(2,460)	<b>16,994</b>
Library Resources	24,036	(14,032)	<b>10,004</b>
<b>Balance at 31 December 2017</b>	<b>213,571</b>	<b>(152,276)</b>	<b>61,294</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2016</b>						
Building Improvements	7,591	-	-	-	(919)	<b>6,672</b>
Furniture and Equipment	34,443	6,398	(1,265)	-	(8,907)	<b>30,669</b>
Leased Assets	-	3,456	-	-	(864)	<b>2,592</b>
Library Resources	8,212	3,425	-	-	(1,269)	<b>10,368</b>
<b>Balance at 31 December 2016</b>	<b>50,246</b>	<b>13,279</b>	<b>(1,265)</b>	<b>-</b>	<b>(11,959)</b>	<b>50,301</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2016</b>			
Building Improvements	61,172	(54,500)	<b>6,672</b>
Furniture and Equipment	111,324	(80,654)	<b>30,670</b>
Leased Assets	3,455	(864)	<b>2,591</b>
Library Resources	23,915	(13,547)	<b>10,368</b>
<b>Balance at 31 December 2016</b>	<b>199,866</b>	<b>(149,565)</b>	<b>50,301</b>



**13. Accounts Payable**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating creditors	2,861	-	2,511
Accruals	3,550	-	3,500
Capital accruals for PPE items	-	-	904
Employee Entitlements - salaries	18,058	-	24,116
	<u>24,469</u>	<u>-</u>	<u>31,031</u>
Payables for Exchange Transactions	24,469	-	31,031
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
	<u>24,469</u>	<u>-</u>	<u>31,031</u>

The carrying value of payables approximates their fair value.

**14. Provision for Cyclical Maintenance**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	66,125	66,125	65,000
Increase/Decrease to the Provision During the Year	(80,984)	8,300	1,125
Use of the Provision During the Year	22,509	-	-
Provision at the End of the Year	<u>7,650</u>	<u>74,425</u>	<u>66,125</u>
Cyclical Maintenance - Current	-	-	24,000
Cyclical Maintenance - Term	7,650	-	42,125
	<u>7,650</u>	<u>-</u>	<u>66,125</u>

**15. 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	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	4,731	-	1,125
Later than One Year and no Later than Five Years	12,613	-	1,547
	<u>17,344</u>	<u>-</u>	<u>2,672</u>

**16. 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:

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Rooms Upgrade	<i>completed</i>	(1,921)	1,922	-	(1)	-
Totals		<u>(1,921)</u>	<u>1,922</u>	<u>-</u>	<u>(1)</u>	<u>-</u>

	2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Rooms Upgrade	<i>in progress</i>	-	54,208	56,129	-	(1,921)
Totals		<u>-</u>	<u>54,208</u>	<u>56,129</u>	<u>-</u>	<u>(1,921)</u>

**17. 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.

**18. Remuneration***Key management personnel compensation*

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

	<b>2017 Actual \$</b>	<b>2016 Actual \$</b>
<i>Board Members</i>		
Remuneration	3,570	2,660
Full-time equivalent members	0.16	0.18
<i>Leadership Team</i>		
Remuneration	97,688	96,840
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	<u>101,258</u>	<u>99,500</u>
Total full-time equivalent personnel	<u>1.16</u>	<u>1.18</u>

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:

	<b>2017 Actual \$000</b>	<b>2016 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	90 - 100	90 - 100
Benefits and Other Emoluments	2 - 3	2 - 3

*Other Employees*

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

<b>Remuneration \$000</b>	<b>2017 FTE Number</b>	<b>2016 FTE Number</b>
110 - 120	-	-
100 - 110	-	-
	<u>-</u>	<u>-</u>

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

**19. Contingencies**

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

**20. Commitments****(a) Capital Commitments**

As at 31 December 2017 the Board has not entered into any contract agreements for capital works.

(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 a photocopier;

	2017 Actual \$	2016 Actual \$
No later than One Year	-	2,484
Later than One Year and No Later than Five Years	-	1,656
	-	4,140
	-	4,140

**21. 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.

**22. Financial Instruments**

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

**Loans and receivables**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	112,849	86,689	129,355
Receivables	19,075	-	28,022
Investments - Term Deposits	60,000	-	60,000
Total Loans and Receivables	191,924	86,689	217,377
	191,924	86,689	217,377

**Financial liabilities measured at amortised cost**

Payables	24,469	-	31,031
Finance Leases	17,122	-	2,672
Total Financial Liabilities Measured at Amortised Cost	41,591	-	33,703
	41,591	-	33,703

**23. Events After Balance Date**

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

# BROAD BAY SCHOOL

## Board of Trustees

### As at 31 December 2017

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	Term Expires
<b>Chairperson</b> Sean Hogan	May 2019
<b>Treasurer</b> Fran Hammond	May 2019
<b>Secretary</b> Joanna McDouall	May 2019
<b>Principal</b> Greg MacLeod	
<b>Staff Representative</b> Paula Cross	May 2019
<b>Members</b>	
Simon Richardson	May 2019
Korena Paterson	Dec 2107
Nick Biggin	May 2019
Adam Uytendaal	May 2019