

# **ALFREDTON SCHOOL**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

School Address:	15207 Route 52 Alfredton , Eketahuna
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Ministry Number:	2801

# Alfredton School

Financial Statements - For the year ended 31 December 2017

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**Alfredton 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.

Russell G. A. Smith  
Full Name of Board Chairperson

Chaire Audier  
Full Name of Principal

RGA Smith  
Signature of Board Chairperson

[Signature]  
Signature of Principal

30-05-18  
Date:

30.5.18.  
Date:

Alfredton 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	684,554	661,037	631,658
Locally Raised Funds	3	18,864	16,000	57,561
Interest Earned		1,490	3,000	2,932
Gain on Sale of Property, Plant and Equipment		1,006	-	-
		<hr/>	<hr/>	<hr/>
		705,914	680,037	692,151
<b>Expenses</b>				
Locally Raised Funds	3	9,903	2,300	4,185
Learning Resources	4	343,100	335,975	332,476
Administration	5	45,004	41,717	42,005
Finance		1,241	-	1,425
Property	6	162,742	140,756	110,543
Depreciation	7	67,276	48,833	58,623
Loss on Disposal of Property, Plant and Equipment		-	-	5,764
Transport		124,626	118,029	116,715
		<hr/>	<hr/>	<hr/>
		753,892	687,610	671,736
<b>Net Surplus / (Deficit) for the year</b>		(47,978)	(7,573)	20,415
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<hr/> <hr/> (47,978)	<hr/> <hr/> (7,573)	<hr/> <hr/> 20,415

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



Alfredton 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>	658,151	658,151	631,454
Total Comprehensive Revenue and Expense for the Year	(47,978)	(7,573)	20,415
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	13,880	-	1,988
Contribution - SNUP			4,294
<b>Equity at 31 December</b>	624,053	650,578	658,151
Retained Earnings	624,053	650,578	658,151
Reserves	-	-	-
<b>Equity at 31 December</b>	624,053	650,578	658,151

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



**Alfredton School**  
**Statement of Financial Position**  
As at 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	254,748	324,870	322,999
Accounts Receivable	9	46,024	48,789	48,789
GST Receivable		8,818	1,067	1,067
Prepayments		3,338	1,497	1,497
Inventories	10	964	838	838
Investments	11	33,949	32,918	32,918
		<u>347,841</u>	<u>409,979</u>	<u>408,108</u>
<b>Current Liabilities</b>				
Accounts Payable	13	86,536	28,068	28,068
Revenue Received in Advance	14	-	82	82
Provision for Cyclical Maintenance	15	-	-	-
Finance Lease Liability - Current Portion	16	5,562	1,504	5,093
Funds Held for Capital Works Projects	17	21,304	77,574	77,574
		<u>113,402</u>	<u>107,228</u>	<u>110,817</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>234,439</b>	<b>302,751</b>	<b>297,291</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	399,152	401,458	406,991
		<u>399,152</u>	<u>401,458</u>	<u>406,991</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	4,500	45,276	37,776
Finance Lease Liability	16	5,038	8,355	8,355
		<u>9,538</u>	<u>53,631</u>	<u>46,131</u>
<b>Net Assets</b>		<u><u>624,053</u></u>	<u><u>650,578</u></u>	<u><u>658,151</u></u>
<b>Equity</b>		<u><u>624,053</u></u>	<u><u>650,578</u></u>	<u><u>658,151</u></u>
		0		

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



**Alfredton School**  
**Statement of Cash Flows**  
For the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		303,588	283,050	300,584
Locally Raised Funds		18,406	16,000	57,561
Homestay		-	-	-
International Students		-	-	-
Goods and Services Tax (net)		(6,661)	-	1,697
Payments to Employees		(53,056)	(48,533)	(47,112)
Payments to Suppliers		(225,947)	(204,757)	(225,397)
Cyclical Maintenance Payments in the year		-	-	-
Interest Paid		(1,241)	-	(1,425)
Interest Received		1,450	3,000	2,945
<b>Net cash from / (to) the Operating Activities</b>		<b>36,539</b>	<b>48,760</b>	<b>88,853</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		26,956	-	26,090
Purchase of PPE (and Intangibles)		(83,208)	(43,300)	(183,130)
Purchase of Investments		(1,031)	-	(1,046)
<b>Net cash from / (to) the Investing Activities</b>		<b>(57,283)</b>	<b>(43,300)</b>	<b>(158,086)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		13,880	-	(1,988)
Finance Lease Payments		(5,117)	(3,589)	(2,780)
Funds Administered on Behalf of Third Parties		-	-	38,479
Funds Held for Capital Works Projects	17	(56,270)	-	-
<b>Net Cash from Financing Activities</b>		<b>(47,507)</b>	<b>(3,589)</b>	<b>33,711</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>(68,251)</b>	<b>1,871</b>	<b>(35,522)</b>
Cash and Cash Equivalents at the beginning of the year	8	322,999	322,999	358,521
<b>Cash and Cash Equivalents at the end of the year</b>	<b>8</b>	<b>254,748</b>	<b>324,870</b>	<b>322,999</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.



# Alfredton School

## Notes to the Financial Statements

For the year ended 31 December 2017

### 1. Statement of Accounting Policies

#### a) Reporting Entity

Alfredton 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 are disclosed in note 12.





# Alfredton School

## Notes to the Financial Statements

For the year ended 31 December 2017

### ***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 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 the 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) 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.

### **f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held on 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.



# Alfredton School

## Notes to the Financial Statements

For the year ended 31 December 2017

### g) 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.

### h) Inventories

Inventories are consumable items held for sale and comprise 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.

### i) 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.

### j) 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.



# Alfredton School

## Notes to the Financial Statements

For the year ended 31 December 2017

### **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:

Furniture and Equipment	3-10 years
Other Equipment	5-20 years
Information and Communication Technology	3-5 years
Building Improvements - Crown	50 years
Motor Vehicles	5 years
Library Resources	12.5% Diminishing value
Textbooks	3-8 years
Leased Assets held under a Finance Lease	3-5 years

### **k) 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.

### **l) 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.

### **m) 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.



# Alfredton School

## Notes to the Financial Statements

For the year ended 31 December 2017

### n) 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).

### o) 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.

### p) 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.

### q) Budget Figures

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

### r) 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.



**Alfredton School**  
**Notes to the Financial Statements**  
For the year ended 31 December 2017

**2. Government Grants**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational Grants	123,936	107,500	118,626
Teachers' Salaries Grants	282,169	282,169	264,330
Use of Land and Buildings Grants	95,818	95,818	68,571
Other MOE Grants	6,632	-	7,600
Transport Grants	175,999	175,550	172,531
	684,554	661,037	631,658

**3. Locally Raised Funds**

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Revenue</b>			
Donations	9,450	10,000	48,794
Fundraising	1,645	1,100	3,749
House Rentals	2,550	-	-
Other Revenue	-	250	-
Trading	1,453	1,650	1,907
Activities	3,766	3,000	3,111
	18,864	16,000	57,561
<b>Expenses</b>			
Trading	1,516	1,500	2,002
Fundraising (costs of raising funds)	546	800	2,183
House Expenses	7,841	-	-
	9,903	2,300	4,185
	8,961	13,700	53,376

*Surplus for the year Locally raised funds*

*Income from Fundraising includes the following donations:*  
\$500 from T McCarthy Grant

**4. Learning Resources**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Curricular	29,561	33,367	22,100
Equipment Repairs	2,575	850	2,534
Information and Communication Technology	222	394	1,196
Extra-Curricular Activities	1,598	1,050	12,526
Library Resources	2,055	1,950	4,222
Employee Benefits - Salaries	302,323	293,114	276,931
Staff Development	4,766	5,250	12,967
	343,100	335,975	332,476



**Alfredton School**  
**Notes to the Financial Statements**  
For the year ended 31 December 2017

**5. Administration**

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	
Audit Fee	4,220	4,500	3,755
Board of Trustees Fees	3,390	4,455	3,610
Board of Trustees Expenses	3,167	2,115	2,255
Communication	1,066	970	999
Consumables	4,424	3,750	5,199
Other	4,176	2,725	3,522
Employee Benefits - Salaries	19,493	18,500	17,370
Insurance	1,068	702	1,295
Service Providers, Contractors and Consultancy	4,000	4,000	4,000
	<u>45,004</u>	<u>41,717</u>	<u>42,005</u>

**6. Property**

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	
Caretaking and Cleaning Consumables	3,971	3,200	3,763
Consultancy and Contract Services	6,119	-	-
Cyclical Maintenance Expense	9,504	7,500	6,019
Grounds	6,897	5,250	6,148
Heat, Light and Water	13,300	5,650	6,197
Rates	281	750	136
Repairs and Maintenance	4,920	3,500	2,158
Use of Land and Buildings	95,818	95,818	68,571
Employee Benefits - Salaries	21,932	19,088	17,551
	<u>162,742</u>	<u>140,756</u>	<u>110,543</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**

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	
Furniture and Equipment	3,008	2,500	2,729
Other Equipment	8,163	6,500	7,254
Information and Communication Technology	7,287	4,500	5,172
Buildings Improvements - Crown	4,114	2,500	3,155
Motor Vehicles	38,592	28,000	35,344
Library Resources	2,155	1,333	1,830
Leased Assets	3,957	3,500	3,139
	<u>67,276</u>	<u>48,833</u>	<u>58,623</u>



**Alfredton School**  
**Notes to the Financial Statements**  
For the year ended 31 December 2017

**8. Cash and Cash Equivalents**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Bank Current Account	45,082	117,135	115,264
Bank Call Account	209,666	207,735	207,735
Cash equivalents and bank overdraft for Cash Flow Statement	254,748	324,870	322,999

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

**9. Accounts Receivable**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Receivables	24,876	31,694	31,694
Receivables from the Ministry of Education	1,032	161	161
Interest Receivable	181	141	141
Teacher Salaries Grant Receivable	19,935	16,793	16,793
	46,024	48,789	48,789
Receivables from Exchange Transactions	25,057	31,835	31,835
Receivables from Non-Exchange Transactions	20,967	16,954	16,954
	46,024	48,789	48,789

**10. Inventories**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Stationery	964	838	838
	964	838	838

**11. Investments**

The School's investment activities are classified as follows:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Asset			
Short-term Bank Deposits	33,949	32,918	32,918



**Alfredton School**  
**Notes to the Financial Statements**  
For the year ended 31 December 2017

**12. Property, Plant and Equipment**

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Furniture and Equipment	19,743	5,114	(1)	-	(3,008)	21,848
Other Equipment	24,187	9,408	(2)	-	(8,163)	25,430
Information and Communication Technology	17,068	13,483	-	-	(7,287)	23,264
Buildings Improvements - Crown	182,796	-	-	-	(4,114)	178,682
Motor Vehicles	137,833	50,678	(24,864)	-	(38,592)	125,055
Textbooks	1,692	16	-	-	-	1,708
Leased Assets	10,857	1,179	-	-	(3,957)	8,079
Library Resources	12,815	5,509	(1,083)	-	(2,155)	15,086
<b>Balance at 31 December 2017</b>	<b>406,991</b>	<b>85,387</b>	<b>(25,950)</b>	<b>-</b>	<b>(67,276)</b>	<b>399,152</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Furniture and Equipment	41,192	(19,344)	21,848
Other Equipment	73,054	(47,624)	25,430
Information and Communication Technology	60,547	(37,283)	23,264
Buildings Improvements - Crown	205,661	(26,979)	178,682
Motor Vehicles	197,183	(72,128)	125,055
Textbooks	7,184	(5,476)	1,708
Leased Assets	16,980	(8,901)	8,079
Library Resources	25,763	(10,677)	15,086
<b>Balance at 31 December 2017</b>	<b>627,564</b>	<b>(228,412)</b>	<b>399,152</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Furniture and Equipment	16,130	6,346	(4)	-	(2,729)	19,743
Other Equipment	11,908	19,535	(2)	-	(7,254)	24,187
Information and Communication Technology	13,140	9,618	(518)	-	(5,172)	17,068
Buildings Improvements - Crown	133,652	52,299	-	-	(3,155)	182,796
Motor Vehicles	106,300	96,435	(29,558)	-	(35,344)	137,833
Textbooks	1,692	-	-	-	-	1,692
Leased Assets	10,227	3,769	-	-	(3,139)	10,857
Library Resources	11,237	5,179	(1,771)	-	(1,830)	12,815
<b>Balance at 31 December 2016</b>	<b>304,286</b>	<b>193,181</b>	<b>(31,853)</b>	<b>-</b>	<b>(58,623)</b>	<b>406,991</b>





**Alfredton School**  
**Notes to the Financial Statements**  
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**12. Property, Plant and Equipment Continued**

2016	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Furniture and Equipment	37,308	(17,565)	19,743
Other Equipment	73,426	(49,239)	24,187
Information and Communication Technology	47,064	(29,996)	17,068
Buildings Improvements - Crown	205,661	(22,865)	182,796
Motor Vehicles	184,757	(46,924)	137,833
Textbooks	7,168	(5,476)	1,692
Leased Assets	15,801	(4,944)	10,857
Library Resources	22,124	(9,309)	12,815
<b>Balance at 31 December 2016</b>	<b>593,309</b>	<b>(186,318)</b>	<b>406,991</b>

**13. Accounts Payable**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating Creditors	58,770	5,921	5,921
Accruals	3,815	3,668	3,668
Employee Entitlements - Salaries	21,784	16,793	16,793
Employee Entitlements - Leave Accrual	2,167	1,686	1,686
	<u>86,536</u>	<u>28,068</u>	<u>28,068</u>
Payables for Exchange Transactions	86,536	28,068	28,068
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>86,536</u>	<u>28,068</u>	<u>28,068</u>

The carrying value of payables approximates their fair value.

**14. Revenue Received in Advance**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Other	-	82	82
	<u>-</u>	<u>82</u>	<u>82</u>



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**15. Provision for Cyclical Maintenance**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	37,776	37,776	31,757
Increase to the Provision During the Year	10,750	7,500	6,019
Adjustment to the Provision	(1,246)	-	-
Use of the Provision During the Year	(42,780)	-	-
Provision at the End of the Year	<u>4,500</u>	<u>45,276</u>	<u>37,776</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	4,500	45,276	37,776
	<u>4,500</u>	<u>45,276</u>	<u>37,776</u>

**16. Finance Lease Liability**

The School has entered into a number of finance lease agreements for **Laptops** and a Photocopier. Minimum lease payments payable:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	5,562	1,504	5,093
Later than One Year and no Later than Five Years	6,241	8,355	10,630
	<u>11,803</u>	<u>9,859</u>	<u>15,723</u>

**17. Funds Held for Capital Works Projects**

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

	2017	Opening Balances \$	Receipts from MOE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Water Storage System	<i>in progress</i>	-	21,304	-	-	21,304
Septic Tank System	<i>complete</i>	53,995	-	53,995	-	-
Fire Alarm Funding	<i>complete</i>	23,579	-	23,579	-	-
Totals		<u>77,574</u>	<u>21,304</u>	<u>77,574</u>	<u>-</u>	<u>21,304</u>

**Represented by:**

Funds Held on Behalf of the Ministry of Education	21,304
Funds Due from the Ministry of Education	-
	<u>21,304</u>

	2016	Opening Balances \$	Receipts from MOE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Water Storage System	<i>in progress</i>	7,399	822	8,221	-	-
Septic Tank System	<i>in progress</i>	-	53,995	-	-	53,995
Fire Alarm Funding	<i>in progress</i>	-	27,560	3,981	-	23,579
Totals		<u>7,399</u>	<u>82,377</u>	<u>12,202</u>	<u>-</u>	<u>77,574</u>



**Alfredton School**  
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**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 conditions 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 and Deputy Principals.

	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<i>Board Members</i>		
Remuneration	3,390	3,610
Full-time equivalent members	0.23	0.22
<i>Leadership Team</i>		
Remuneration	103,500	98,657
Full-time equivalent members	1	1
<b>Total key management personnel remuneration</b>	<b>106,890</b>	<b>102,267</b>
<b>Total full-time equivalent personnel</b>	<b>1.23</b>	<b>1.22</b>

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</b>	<b>2016</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>
<b>Salaries and Other Short-term Employee Benefits:</b>		
Salary and Other Payments	100 -110	90 - 100
Benefits and Other Emoluments	0 - 0	0 - 0
Termination Benefits	0 - 0	0 - 0



**Alfredton School**  
**Notes to the Financial Statements**  
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**19. Remuneration Continued**

*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
110 - 120	-	-
100 - 110	-	-
	0.00	0.00

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

**20. Compensation and Other Benefits Upon Leaving**

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

	2017 Actual	2016 Actual
Total	\$0	\$0
Number of People	0	0

**21. Contingencies**

There are no contingent liabilities and no contingent assets as at 31 December 2017 .

(Contingent liabilities and assets at 31 December 2016: nil)

**22. Commitments**

**(a) Capital Commitments**

As at 31 December 2017 the Board has entered into nil contract agreements for capital works.

(Capital commitments at 31 December 2016: \$78,983)

**(b) Operating Commitments**

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

(a) operating leases for;

No later than One Year  
Later than One Year and No Later than Five Years

	2017 Actual	2016 Actual
	\$	\$
	-	93
	-	-
	-	93



**Alfredton School**  
**Notes to the Financial Statements**  
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**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**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	254,748	324,870	322,999
Receivables	46,024	48,789	48,789
Investments - Term Deposits	33,949	32,918	32,918
<b>Total Loans and Receivables</b>	<b>334,721</b>	<b>406,577</b>	<b>404,706</b>

**Financial liabilities measured at amortised cost**

Payables	86,536	28,068	28,068
Finance Leases	10,600	9,859	13,448
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>97,136</b>	<b>37,927</b>	<b>41,516</b>

**25. Events After Balance Date**

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

