

Tasman Bay Christian School



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Ministry Number: 1178

Principal: Steve Matthews

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TASMAN BAY CHRISTIAN SCHOOL

Annual Report - For the year ended 31 December 2018

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Tasman Bay Christian School

Statement of Responsibility

For the year ended 31 December 2018

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2018 fairly reflects the financial position and operations of the school.

The School's 2018 financial statements are authorised for issue by the Board.

Full Name of Board Chairperson

Full Name of Principal

Signature of Board Chairperson

Signature of Principal

Date:

Date:

Tasman Bay Christian School

Members of the Board of Trustees

For the year ended 31 December 2018

Name	Position	How Position Gained	Held Until
Geoff Paynter	Chairperson Proprietors Rep		May 2019
Steve Matthews	Principal		
Tim Fifita	Parent Rep	Elected	May 2019
Tracey Walls	Parent Rep	Elected	May 2019
Ruth Russ	Parent Rep	Elected	May 2019
Jen Champion-Davis	Parent Rep	Co-opted	May 2019
Mel Gibson	Parent Rep	Co-opted	May 2019
Sandra Clark	Proprietors Rep		Jun 2018
Judy-Anne Sumbly	Staff Rep	Elected	May 2019

Tasman Bay Christian School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2018

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	579,879	423,900	591,489
Locally Raised Funds	3	37,114	40,300	43,835
Use of Land and Buildings Integrated		140,000	140,000	140,000
Interest Earned		1,833	1,000	1,355
Gain on Sale of Property, Plant and Equipment		598	1,000	426
		<u>759,424</u>	<u>606,200</u>	<u>777,105</u>
Expenses				
Locally Raised Funds	3	2,100	5,500	9,347
Learning Resources	4	351,116	263,080	352,310
Administration	5	37,106	50,510	44,290
Finance Costs		297	-	490
Property	6	173,707	180,100	177,174
Depreciation	7	12,927	5,000	12,517
Transport		169,755	100,000	168,042
		<u>747,008</u>	<u>604,190</u>	<u>764,170</u>
Net Surplus / (Deficit)		12,416	2,010	12,935
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>12,416</u></u>	<u><u>2,010</u></u>	<u><u>12,935</u></u>

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

Tasman Bay Christian School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	64,107	64,107	51,172
Total comprehensive revenue and expense for the year	12,416	2,010	12,935
Equity at 31 December	76,523	66,117	64,107
Retained Earnings	76,523	66,117	64,107
Equity at 31 December	76,523	66,117	64,107

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

Tasman Bay Christian School

Statement of Financial Position

As at 31 December 2018

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	68,729	62,985	55,975
Accounts Receivable	9	18,245	19,120	19,120
GST Receivable		3,020	1,993	1,993
Prepayments		1,133	464	464
Inventories	10	7,593	5,580	5,580
		<u>98,720</u>	<u>90,142</u>	<u>83,133</u>
Current Liabilities				
Accounts Payable	12	24,583	23,293	23,293
Revenue Received in Advance	13	3,589	2,307	2,307
Provision for Cyclical Maintenance	14	3,667	-	-
Finance Lease Liability - Current Portion	15	6,198	6,581	6,581
Funds held in Trust	16	1,981	-	-
		<u>40,018</u>	<u>32,181</u>	<u>32,182</u>
Working Capital Surplus/(Deficit)		58,702	57,961	50,951
Non-current Assets				
Property, Plant and Equipment	11	36,196	33,796	38,796
		<u>36,196</u>	<u>33,796</u>	<u>38,796</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	12,100	13,167	13,167
Finance Lease Liability	15	6,275	12,473	12,473
		<u>18,375</u>	<u>25,640</u>	<u>25,640</u>
Net Assets		<u>76,523</u>	<u>66,117</u>	<u>64,107</u>
Equity		<u>76,523</u>	<u>66,117</u>	<u>64,107</u>

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

Tasman Bay Christian School

Statement of Cash Flows

For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		291,543	223,900	298,893
Locally Raised Funds		38,396	40,300	44,924
Goods and Services Tax (net)		(1,027)	-	(650)
Payments to Employees		(63,231)	(62,900)	(65,505)
Payments to Suppliers		(237,534)	(187,290)	(253,203)
Cyclical Maintenance Payments in the Year		(2,600)	(4,000)	(2,500)
Interest Received		1,833	1,000	1,355
Net cash from / (to) the Operating Activities		27,380	11,010	23,314
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(253)	-	(253)
Purchase of PPE (and Intangibles)		(9,476)	(4,000)	(5,372)
Net cash from / (to) the Investing Activities		(9,729)	(4,000)	(5,625)
Cash flows from Financing Activities				
Finance Lease Payments		(6,878)	-	(6,878)
Funds Administered on Behalf of Third Parties		1,981	-	(991)
Net cash from Financing Activities		(4,897)	-	(7,869)
Net increase/(decrease) in cash and cash equivalents		12,754	7,010	9,820
Cash and cash equivalents at the beginning of the year	8	55,975	55,975	46,155
Cash and cash equivalents at the end of the year	8	68,729	62,985	55,975

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been omitted.

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

Tasman Bay Christian School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2018

1.1. Reporting Entity

Tasman Bay Christian 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.

1.2. Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2018 to 31 December 2018 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

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 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.

1.3. 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.

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.

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

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.

1.4. Use of Land and Buildings Expense

The property from which the School operates is owned by the Proprietor. The expense is based on an assumed market rental yield on the land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Proprietor.

1.5. 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.

1.6. 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.

1.7. 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.

1.8. 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.

1.9. 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.

1.10. 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 of Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

1.11. Property, Plant and Equipment

Land and buildings owned by the Proprietor 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 Proprietor are recorded at cost, less accumulated depreciation and impairment losses.

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

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Building Improvements	5 years
Furniture and equipment	5 -10years
Information and communication technology	3–5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

1.12. 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.

1.13. 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.

1.14. Employment 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

1.15. Revenue Received in Advance

Revenue received in advance relates to fees received from students 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.

1.16. Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building 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 provisions for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).

1.17. 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, and finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

1.18. 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.

1.19. Budget Figures

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

1.20. Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	120,179	122,700	122,953
Teachers' salaries grants	288,336	200,000	289,132
Other MoE Grants	1,609	1,200	11,362
Transport grants	169,755	100,000	168,042
	579,879	423,900	591,489

3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
Donations	14,687	15,400	21,524
Fundraising	2,306	14,000	4,998
Bequests & Grants	-	2,000	-
Other revenue	12,585	1,600	8,785
Trading	1,530	1,000	2,728
Activities	6,006	6,300	5,800
	37,114	40,300	43,835
Expenses			
Activities	1,123	1,500	3,696
Trading	791	1,000	3,686
Fundraising (costs of raising funds)	186	3,000	1,965
	2,100	5,500	9,347
<i>Surplus for the year Locally raised funds</i>	35,014	34,800	34,488

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	15,311	19,280	18,422
Equipment repairs	3,469	3,000	3,815
Extra-curricular activities	5,627	6,400	1,443
Library resources	315	500	500
Employee benefits - salaries	320,169	228,900	318,627
Staff development	6,225	5,000	9,503
	351,116	263,080	352,310

5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	3,101	3,000	2,954
Board of Trustees Fees	1,626	3,550	3,070
Board of Trustees Expenses	1,262	1,250	1,797
Communication	1,771	2,400	1,872
Consumables	3,777	9,200	2,937
Operating Lease	-	800	-
Other	1,449	3,550	3,231
Employee Benefits - Salaries	21,561	24,000	25,818
Insurance	475	560	465
Service Providers, Contractors and Consultancy	2,084	2,200	2,146
	37,106	50,510	44,290

6. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	1,437	1,500	1,625
Consultancy and Contract Services	3,547	7,250	6,431
Cyclical Maintenance Provision	2,600	4,000	2,500
Grounds	6,951	5,850	3,041
Heat, Light and Water	5,051	4,700	6,698
Repairs and Maintenance	4,369	6,800	6,537
Use of Land and Buildings	140,000	140,000	140,000
Employee Benefits - Salaries	9,752	10,000	10,342
	173,707	180,100	177,174

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 of Property, Plant and Equipment

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Furniture and Equipment	5,737	2,500	5,293
Leased Assets	6,539	2,500	6,539
Library Resources	651	-	685
	12,927	5,000	12,517

8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	68,729	62,985	55,975
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>68,729</u>	<u>62,985</u>	<u>55,975</u>

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

9. Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Teacher Salaries Grant Receivable	18,245	19,120	19,120
	<u>18,245</u>	<u>19,120</u>	<u>19,120</u>
Receivables from Non-Exchange Transactions	18,245	19,120	19,120
	<u>18,245</u>	<u>19,120</u>	<u>19,120</u>

10. Inventories

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	1,256	1,691	1,691
School Uniforms	6,337	3,889	3,889
	<u>7,593</u>	<u>5,580</u>	<u>5,580</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Furniture and Equipment	14,962	9,909	-	-	(5,737)	19,134
Leased Assets	19,041	-	-	-	(6,539)	12,502
Library Resources	4,793	420	(2)	-	(651)	4,560
Balance at 31 December 2018	38,796	10,329	(2)	-	(12,927)	36,196

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Furniture and Equipment	151,652	(132,518)	19,134
Leased Assets	28,475	(15,973)	12,502
Library Resources	15,354	(10,794)	4,560
Balance at 31 December 2018	195,481	(159,285)	36,196

The net carrying value of equipment held under a finance lease is \$12,502 (2017: \$19,041)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Furniture and Equipment	14,864	6,260	(869)	-	(5,293)	14,962
Leased Assets	25,580	-	-	-	(6,539)	19,041
Library Resources	4,818	834	(174)	-	(685)	4,793
Balance at 31 December 2017	46,904	5,452	(1,043)	-	(12,517)	38,796

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Furniture and Equipment	143,996	(129,034)	14,962
Leased Assets	28,475	(9,434)	19,041
Library Resources	14,940	(10,147)	4,793
Balance at 31 December 2017	187,411	(148,615)	38,796

12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	3,857	1,546	1,546
Accruals	2,416	2,477	2,477
Employee Entitlements - salaries	18,245	19,120	19,120
Employee Entitlements - leave accrual	65	150	150
	<u>24,583</u>	<u>23,293</u>	<u>23,293</u>
Payables for Exchange Transactions	24,583	23,293	23,293
	<u>24,583</u>	<u>23,293</u>	<u>23,293</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Other	3,589	2,307	2,307
	<u>3,589</u>	<u>2,307</u>	<u>2,307</u>

14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	13,167	13,167	16,667
Increase to the Provision During the Year	2,600	-	-
Use of the Provision During the Year	-	-	(6,000)
Provision at the End of the Year	<u>15,767</u>	<u>13,167</u>	<u>10,667</u>
Cyclical Maintenance - Current	3,667	-	-
Cyclical Maintenance - Term	12,100	13,167	13,167
	<u>15,767</u>	<u>13,167</u>	<u>13,167</u>

15. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	6,289	6,879	6,879
Later than One Year and no Later than Five Years	6,275	12,564	12,564
Later than Five Years	-	-	-
	<u>12,564</u>	<u>19,443</u>	<u>19,443</u>

16. Funds Held in Trust

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	1,981	-	-
	<u>1,981</u>	<u>-</u>	<u>-</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

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 favorable 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.

The Proprietor of the School (The Tasman Bible Church Trust) is a related party of the Board because the Proprietor appoints representatives to the Board, giving the Proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the Proprietor collects funds on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1.4. The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

During the year the School received transport grant income from the Ministry of \$169,755 and incurred expenses of \$121,540 (2017: Income and expenses \$168,042) for bus services carried out by the Proprietor (The Tasman Bible Church Trust). There is a Memorandum of Understanding between the School and the Trust dated 1 December 2017 that formalises the relationship between the two parties and outlines the obligations of both parties for the provision of transport to eligible students. Per the memorandum, any surpluses reported by the Proprietor in relation to bus funding is to either be donated back to the school for the benefits of the students or alternatively, be accumulated in the Trust for future bus replacement.

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include attendance dues, building levy and special character donations payable to the Proprietor. These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the proprietor are \$1,981, (2017: \$nil).

18. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, and Principal.

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	1,626	3,070
Full-time equivalent members	0.07	0.56
<i>Leadership Team</i>		
Remuneration	99,960	74,284
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	101,586	77,354
Total full-time equivalent personnel	1.07	1.56

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

Principal

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

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	90-100	70 - 80
Benefits and Other Emoluments	0 - 0	0-10
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
110 - 120	-	-
100 - 110	-	-
	-	-

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

19. Compensation and Other Benefits Upon Leaving

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

	2018 Actual \$	2017 Actual \$
Total	-	-
Number of People	-	-

20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

21. Commitments

(a) Capital Commitments

As at 31 December 2018 the Board has not entered into any contract agreements.

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

- (a) operating lease of a photocopier;
- (b) operating lease of Laptops

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

	2018 Actual \$	2017 Actual \$
	-	-
	-	-
	-	-
	-	-
	-	-

22. 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.

23. Financial Instruments

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

Loans and Receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	68,729	62,985	55,975
Receivables	18,245	19,120	19,120
Total Loans and Receivables	<u>86,974</u>	<u>82,105</u>	<u>75,095</u>

Financial liabilities measured at amortised cost

Payables	24,583	23,293	23,293
Finance Leases	12,473	19,054	19,054
Total Financial Liabilities Measured at Amortised Cost	<u>37,056</u>	<u>42,347</u>	<u>42,347</u>

24. Events After Balance Date

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