

RUAHINE SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number:	2669
Principal:	Sarah McCord
School Address:	333 Maharahara Road, Dannervirke
School Postal Address:	333 Maharahara Road, RD 2, Dannervirke 4972
School Phone:	06 374 9200
School Email:	office@ruahine.school.nz

Members of the Board of Trustees

Name	Position	How position Gained	Term Expires
David Veale	Chair Person	Elected	May-19
Sarah McCord	Principal	Ex Officio	
Shaun Baxter. Finance	Parent Rep	Elected	May-19
Miriam Pinfold	Parent Rep	Elected	May-19
Neil Filer: Property	Parent Rep	Elected	May-19
Wendy Stratford	Parent Rep	Elected	May-19
Kate Dare:	Staff Rep	Elected	May-19

Accountant / Service Provider: Education Finance Limited
0800 333 462



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RUAHINE SCHOOL

Annual Report - For the year ended 31 December 2018

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Ruahine 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.

David James Veale

Full Name of Board Chairperson



Signature of Board Chairperson

31 May 2019

Date:

Sarah Margaret McCord

Full Name of Principal



Signature of Principal

31 May 2019

Date:

Ruahine School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	1,146,677	1,202,000	1,105,658
Locally Raised Funds	3	66,160	39,900	62,651
Interest Earned		1,675	4,000	668
		<hr/>	<hr/>	<hr/>
		1,214,512	1,245,900	1,168,977
Expenses				
Locally Raised Funds	3	54,694	35,500	27,355
Learning Resources	4	803,022	893,160	781,405
Administration	5	84,122	87,050	72,795
Property	6	247,214	209,840	217,757
Depreciation	7	40,627	29,600	37,363
		<hr/>	<hr/>	<hr/>
		1,229,680	1,255,150	1,136,675
Net Surplus / (Deficit) for the year		(15,167)	(9,250)	32,302
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(15,167)	(9,250)	32,302

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

Ruahine 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	324,994	324,994	292,692
Total comprehensive revenue and expense for the year	(15,167)	(9,250)	32,302
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	2,319	-	-
Equity at 31 December	312,146	315,744	324,994
Retained Earnings	312,146	315,744	324,994
Equity at 31 December	312,146	315,744	324,994

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

Ruahine 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	136,467	153,219	191,370
Accounts Receivable	9	46,786	40,000	54,329
Prepayments		4,388	6,391	6,391
Funds due for Capital Works Projects	16	-	-	32,105
Investments	10	100,000	-	-
		<hr/>	<hr/>	<hr/>
		287,641	199,610	284,195
Current Liabilities				
GST Payable		1,048	4,147	4,147
Accounts Payable	12	85,994	61,000	60,026
Funds Held for Capital Works Projects	16	43,306	-	-
Revenue Received in Advance	13	-	-	14,174
Provision for Cyclical Maintenance	14	8,611	-	62,735
Finance Lease Liability - Current Portion	15	8,759	6,214	6,214
		<hr/>	<hr/>	<hr/>
		147,719	71,361	147,296
Working Capital Surplus/(Deficit)		139,922	128,249	136,899
Non-current Assets				
Property, Plant and Equipment	11	190,073	200,450	207,050
		<hr/>	<hr/>	<hr/>
		190,073	200,450	207,050
Non-current Liabilities				
Provision for Cyclical Maintenance	14	13,190	9,420	9,420
Finance Lease Liability	15	4,659	3,535	9,535
		<hr/>	<hr/>	<hr/>
		17,849	12,955	18,955
Net Assets		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		312,146	315,744	324,994
Equity				
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		312,146	315,744	324,994

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

Ruahine 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		275,703	257,000	278,573
Locally Raised Funds		51,987	39,900	66,461
Goods and Services Tax (net)		(3,099)	-	4,077
Payments to Employees		(106,693)	(114,440)	(93,356)
Payments to Suppliers		(190,075)	(175,879)	(176,815)
Cyclical Maintenance Payments in the year		(36,258)	(71,700)	-
Interest Received		1,675	4,000	668
Net cash from / (to) the Operating Activities		(6,760)	(61,119)	79,608
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(24,949)	(23,000)	(32,022)
Purchase of Investments		(100,000)	-	
Net cash from / (to) the Investing Activities		(124,949)	(23,000)	(32,022)
Cash flows from Financing Activities				
Furniture and Equipment Grant		2,319	-	
Finance Lease Payments		(2,942)	(6,000)	(7,032)
Funds Held for Capital Works Projects		77,428	32,105	(16,204)
Net cash from Financing Activities		76,805	26,105	(23,236)
Net increase/(decrease) in cash and cash equivalents		(54,904)	(58,014)	24,350
Cash and cash equivalents at the beginning of the year	8	191,370	191,370	167,020
Cash and cash equivalents at the end of the year	8	136,466	133,356	191,370

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.

Ruahine School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

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) 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.

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

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	20–50 years
Furniture and equipment	10–20 years
information and communication technology	5 years
Motor vehicles	5 years
Textbooks	5 years
Leased assets held under a Finance Lease	5 years
Library resources	12.5% Diminishing value

l) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

k) 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.

l) 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.

m) Revenue Received in Advance

Revenue received in advance relates grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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 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.

p) Borrowings

Borrowings are recognised at the amount borrowed. Borrowings are classified as current liabilities unless the School has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	234,400	238,000	242,221
Teachers' salaries grants	711,679	800,000	683,965
Use of Land and Buildings grants	162,179	145,000	145,045
Resource teachers learning and behaviour grants	1,635	-	-
Other MoE Grants	36,197	19,000	32,372
Other government grants	588	-	2,055
	<u>1,146,677</u>	<u>1,202,000</u>	<u>1,105,658</u>

3. Locally Raised Funds

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	3,515	3,000	2,826
Bequests and Grants	13,000	-	12,000
Transport (local)	10,670	5,000	9,314
Activities	27,443	24,400	38,419
Trading	582	500	92
Other Revenue	10,951	7,000	-
	<u>66,160</u>	<u>39,900</u>	<u>62,651</u>
Expenses			
Activities	35,991	26,500	15,827
Trading	1,077	500	70
Transport (local)	13,910	5,000	8,528
Other Expenses	3,717	3,500	2,930
	<u>54,694</u>	<u>35,500</u>	<u>27,355</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>11,466</u>	<u>4,400</u>	<u>35,296</u>

4. Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	15,317	19,600	28,949
Employee benefits - salaries	774,529	862,000	734,114
Staff development	13,176	11,560	18,342
	<u>803,022</u>	<u>893,160</u>	<u>781,405</u>

5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	3,703	3,200	3,597
Board of Trustees Fees	2,525	4,000	2,820
Board of Trustees Expenses	395	1,000	2,802
Communication	2,854	2,200	2,531
Consumables	2,805	2,300	3,057
Operating Lease	5,577	6,500	5,963
Other	19,618	18,750	8,807
Employee Benefits - Salaries	35,127	38,400	32,317
Insurance	7,019	6,400	6,401
Service Providers, Contractors and Consultancy	4,500	4,300	4,500
	84,122	87,050	72,795

6. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	77	500	172
Consultancy and Contract Services	22,172	20,000	18,226
Cyclical Maintenance Expense	14,320	-	5,767
Grounds	20,475	11,000	15,266
Heat, Light and Water	19,275	18,800	22,391
Repairs and Maintenance	-	500	-
Use of Land and Buildings	162,179	145,000	145,045
Employee Benefits - Salaries	8,716	14,040	10,890
	247,214	209,840	217,757

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

7. Depreciation

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Building Improvements	12,076	10,100	12,076
Furniture and Equipment	17,886	5,000	13,668
Information and Communication Technology	5,291	6,000	7,350
Leased Assets	3,242	6,500	2,026
Library Resources	2,132	2,000	2,243
	40,627	29,600	37,363

8. Cash and Cash Equivalents

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
ANZ Premium Call Account 25	14,510	62,219	80,732
ANZ Premium Call Account 26	4,616	5,000	50,247
ANZ Cheque Account	-	35,000	36,951
ANZ Cheque Account	-	31,000	6,606
ANZ Rent Account	-	20,000	16,834
ASB 00 Main Account	33,626	-	-
ASB 01 Account	50,652	-	-
ASB 02 Account	13,009	-	-
ASB 03 Account	20,053	-	-
Cash and cash equivalents for Cash Flow Statement	<u>136,467</u>	<u>153,219</u>	<u>191,370</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 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	141	-	10,364
Banked Staffing Underuse	-	-	7,940
Teacher Salaries Grant Receivable	46,645	40,000	36,025
	<u>46,786</u>	<u>40,000</u>	<u>54,329</u>
Receivables from Exchange Transactions	141	-	18,304
Receivables from Non-Exchange Transactions	46,645	40,000	36,025
	<u>46,786</u>	<u>40,000</u>	<u>54,329</u>

10. Investments

The School's investment activities are classified as follows:

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	100,000	-	-
Non-current Asset			
Long-term Bank Deposits	-	-	-

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	106,782	-	-	-	(12,076)	94,706
Furniture and Equipment	63,672	14,521	-	-	(17,886)	60,307
Information and Communication	15,813	3,419	-	-	(5,291)	13,941
Leased Assets	3,890	3,651	-	-	(3,242)	4,299
Library Resources	16,893	2,059	-	-	(2,132)	16,820
		-	-	-		
Balance at 31 December 2018	207,050	23,650	-	-	(40,627)	190,073

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	279,573	(184,867)	94,706
Furniture and Equipment	162,340	(102,033)	60,307
Information and Communication	128,901	(114,960)	13,941
Leased Assets	9,736	(5,437)	4,299
Library Resources	92,385	(75,565)	16,820
Balance at 31 December 2018	672,935	(482,862)	190,073

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building Improvements	118,858	-	-	-	(12,076)	106,782
Furniture and Equipment	49,035	28,305	-	-	(13,668)	63,672
Information and Communication Technology	15,058	8,105	-	-	(7,350)	15,813
Leased Assets	5,916	-	-	-	(2,026)	3,890
Library Resources	17,831	1,305	-	-	(2,243)	16,893
Balance at 31 December 2017	206,698	37,715	-	-	(37,363)	207,050

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building Improvements	279,573	(172,791)	106,782
Furniture and Equipment	157,632	(93,960)	63,672
Information and Communication Technology	126,418	(110,605)	15,813
Leased Assets	6,085	(2,195)	3,890
Library Resources	90,326	(73,433)	16,893
Balance at 31 December 2017	660,034	(452,984)	207,050

12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	34,518	15,000	20,040
Accruals	4,067	6,000	3,197
Employee Entitlements - salaries	46,645	40,000	36,025
Employee Entitlements - leave accrual	764	-	764
	<u>85,994</u>	<u>61,000</u>	<u>60,026</u>
Payables for Exchange Transactions	85,994	61,000	60,026
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>85,994</u>	<u>61,000</u>	<u>60,026</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Grants in Advance	-	-	14,174
	<u>-</u>	<u>-</u>	<u>14,174</u>

14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	72,155	72,155	66,388
Increase/ (decrease) to the Provision During the Year	12,082	-	5,767
Use of the Provision During the Year	(62,436)	(62,735)	-
Provision at the End of the Year	<u>21,801</u>	<u>9,420</u>	<u>72,155</u>
Cyclical Maintenance - Current	8,611	-	62,735
Cyclical Maintenance - Term	13,190	9,420	9,420
	<u>21,801</u>	<u>9,420</u>	<u>72,155</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:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	8,759	6,214	6,214
Later than One Year and no Later than Five Years	4,659	3,535	9,535
	13,418	9,749	15,749

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:

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Toilets	<i>complete</i>	(32,105)	32,105	-	-	-
Cladd/Septic/Water	<i>in progress</i>	-	190,800	147,494	-	43,306
Totals		(32,105)	222,905	147,494	-	43,306

Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

(43,306)

(43,306)

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Toilets	<i>in progress</i>	(15,901)	92,460	108,664	-	(32,105)
Totals		(15,901)	92,460	108,664	-	(32,105)

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.

David Veale, Chairperson of Ruahine School, is also the CEO of Wai Waste. Wai Waste carried out works at the school to the value of \$2,900.

Sarah McCord, Principal of Ruahine School, is a Trustee of the Manawatu Literacy Association. Manawatu Literacy Association was paid \$1,548 for services during the year.

Board Member Neil Filer occupies the school house. Rental is \$340 per fortnight.

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.

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	2,525	2,820
Full-time equivalent members	0.13	0.21
<i>Leadership Team</i>		
Remuneration	318,014	309,759
Full-time equivalent members	3	3
Total key management personnel remuneration	320,539	312,579
Total full-time equivalent personnel	3.13	3.21

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	120-130	110-120
Benefits and Other Emoluments	3-4	3-4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
100-110	1	1
	1.00	1.00

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 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 no capital commitments.

(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 for computer equipment

	2018 Actual \$	2017 Actual \$
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	-

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	136,467	153,219	191,370
Receivables	46,786	40,000	54,329
Investments - Term Deposits	100,000	-	-
Total Loans and Receivables	<u>283,253</u>	<u>193,219</u>	<u>245,699</u>

Financial liabilities measured at amortised cost

Payables	85,994	61,000	60,026
Finance Leases	13,418	9,749	15,749
Total Financial Liabilities Measured at Amortised Cost	<u>99,412</u>	<u>70,749</u>	<u>75,775</u>

23. Events After Balance Date

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

