

TUTURAU SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

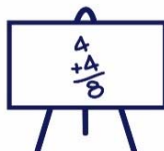
School Directory

Ministry Number:	4032
Principal:	Rebekah Prattley
School Address:	285 Shanks Road, Tutarau
School Postal Address:	RD 4, Gore
School Phone:	03 203 8254
School Email:	office@tutarau

Members of the Board of Trustees

Name	Position	
Ruth Mitchell	Chair Person	Elected
Rebekah Prattley	Principal	ex officio
Lisa Perkins	Parent Rep	Elected
Allan McDowell	Parent Rep	Elected
Gus Robinson	Parent Rep	Elected
Rosemary Crump	Parent Rep	Elected
Athena Kent	Staff Rep	Elected

Accountant / Service Provider: Education Finance Limited
0800 333 462



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TUTURAU SCHOOL

Annual Report - For the year ended 31 December 2018

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 10	Statement of Accounting Policies
11- 18	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Tuturau 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.

Ruth Mitchell

Full Name of Board Chairperson

Rebekah Prattley

Full Name of Principal

R Mitchell

Signature of Board Chairperson

R Prattley

Signature of Principal

17 May 2019

Date:

17 May 2019

Date:

Tuturau 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	503,176	439,223	480,928
Locally Raised Funds	3	41,632	20,379	27,776
Interest Earned		561	500	477
		<hr/>	<hr/>	<hr/>
		545,369	460,102	509,181
Expenses				
Locally Raised Funds	3	18,928	5,550	11,747
Learning Resources	4	288,803	244,570	267,699
Administration	5	44,335	46,610	39,170
Property	6	157,229	153,752	153,462
Depreciation	7	11,913	8,000	9,468
Loss on Disposal of Property, Plant and Equipment		-	-	423
		<hr/>	<hr/>	<hr/>
		521,208	458,482	481,969
Net Surplus / (Deficit) for the year		24,161	1,620	27,212
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		24,161	1,620	27,212

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



Tuturau 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	131,711	131,711	104,499
Total comprehensive revenue and expense for the year	24,161	1,620	27,212
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	-
Equity at 31 December	155,872	133,331	131,711
Retained Earnings	155,872	133,331	131,711
Reserves	-	-	-
Equity at 31 December	155,872	133,331	131,711

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



Tuturau School

Statement of Financial Position

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	73,783	53,862	49,149
Accounts Receivable	9	15,658	15,000	14,543
GST Receivable		2,026	1,777	1,777
Inventories	10	-	6,243	6,243
Investments	11	18,553	10,921	10,921
		<u>110,020</u>	<u>87,803</u>	<u>82,633</u>
Current Liabilities				
Accounts Payable	13	27,228	22,000	24,251
Finance Lease Liability - Current Portion	15	3,587	4,782	4,782
		<u>30,815</u>	<u>26,782</u>	<u>29,033</u>
Working Capital Surplus/(Deficit)		79,205	61,021	53,600
Non-current Assets				
Property, Plant and Equipment	12	103,080	101,309	104,309
		<u>103,080</u>	<u>101,309</u>	<u>104,309</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	26,413	26,412	22,612
Finance Lease Liability	15	-	2,587	3,587
		<u>26,413</u>	<u>28,999</u>	<u>26,199</u>
Net Assets		<u>155,872</u>	<u>133,331</u>	<u>131,711</u>
Equity		<u>155,872</u>	<u>133,331</u>	<u>131,711</u>

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



Tuturau 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		140,955	119,223	139,392
Locally Raised Funds		41,632	20,379	32,806
Goods and Services Tax (net)		(249)	-	(2,845)
Payments to Employees		(68,116)	(67,482)	(73,254)
Payments to Suppliers		(67,522)	(66,907)	(60,176)
Cyclical Maintenance Payments in the year		-	-	-
Interest Paid		-	-	(1,559)
Interest Received		561	500	477
Net cash from / (to) the Operating Activities		47,261	5,713	34,841
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(11,408)	(2,000)	(4,594)
Purchase of Investments		(7,632)	-	-
Proceeds from Sale of Investments		-	-	-
Net cash from / (to) the Investing Activities		(19,040)	(2,000)	(4,594)
Cash flows from Financing Activities				
Finance Lease Payments		(3,587)	(4,000)	(4,782)
Net cash from Financing Activities		(3,587)	(4,000)	(4,782)
Net increase/(decrease) in cash and cash equivalents		24,634	(287)	25,465
Cash and cash equivalents at the beginning of the year	8	49,149	49,149	23,684
Cash and cash equivalents at the end of the year	8	73,783	48,862	49,149

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.



Tuturau School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

Tuturau 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 12.



Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 15.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

e) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

f) Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.



g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

h) Accounts Receivable

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

i) Inventories

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

j) Investments

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as “available for sale” for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements of Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

k) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$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	5–10 years
Information and communication technology	5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3 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.

m) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

n) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

o) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.



Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

p) Financial Assets and Liabilities

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

t) 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.

u) 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.

v) Budget Figures

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

w) 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	104,397	97,362	107,384
Teachers' salaries grants	233,570	195,000	214,082
Use of Land and Buildings grants	130,127	125,000	127,454
Other MoE Grants	34,958	21,861	30,375
Other government grants	124	-	1,633
	<u>503,176</u>	<u>439,223</u>	<u>480,928</u>

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	12,545	6,899	6,353
Activities	5,338	-	13,320
Trading	2,393	-	688
Fundraising	9,975	2,900	5,596
Other Revenue	11,381	10,580	1,819
	<u>41,632</u>	<u>20,379</u>	<u>27,776</u>
Expenses			
Activities	7,030	-	7,656
Trading	2,768	-	(374)
Fundraising costs	5,603	250	2,451
Transport (local)	-	-	2,014
Other Expenses	3,527	5,300	-
	<u>18,928</u>	<u>5,550</u>	<u>11,747</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>22,704</u>	<u>14,829</u>	<u>16,029</u>

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	10,555	10,160	6,744
Employee benefits - salaries	272,063	229,410	256,486
Staff development	6,185	5,000	4,469
	<u>288,803</u>	<u>244,570</u>	<u>267,699</u>



5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	1,905	2,400	1,492
Board of Trustees Fees	3,535	4,000	3,720
Board of Trustees Expenses	198	500	4
Communication	1,207	1,100	1,041
Consumables	1,845	1,800	2,078
Operating Lease	1,362	2,600	1,525
Other	6,300	6,300	2,600
Employee Benefits - Salaries	22,458	24,310	22,836
Service Providers, Contractors and Consultancy	5,525	3,600	3,875
	<u>44,335</u>	<u>46,610</u>	<u>39,170</u>

6. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	1,307	900	1,728
Consultancy and Contract Services	1,003	1,040	3,900
Cyclical Maintenance Expense	3,801	3,800	(1,127)
Grounds	3,525	4,600	3,907
Heat, Light and Water	6,840	6,100	4,840
Repairs and Maintenance	3,023	3,050	4,747
Use of Land and Buildings	130,127	125,000	127,454
Security	438	500	-
Employee Benefits - Salaries	7,165	8,762	8,014
	<u>157,229</u>	<u>153,752</u>	<u>153,462</u>

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	1,240	1,000	1,240
Furniture and Equipment	6,826	4,000	5,267
Information and Communication Technology	3,123	3,000	2,961
Library Resources	724	-	-
	<u>11,913</u>	<u>8,000</u>	<u>9,468</u>



8. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Westpac 00 Working	22,513	3,862	14,005
Westpac 01 School House	13,767	10,000	3,364
Westpac 02 Account	11,173	15,000	10,792
Westpac 25 Account	21,502	20,000	15,484
Westpac 03 Account	4,628	5,000	
Westpac 03 Account	200	-	5,504
Cash and cash equivalents for Cash Flow Statement	73,783	53,862	49,149

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

9. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Banked Staffing Underuse	-	-	1,698
Teacher Salaries Grant Receivable	15,658	15,000	12,845
	15,658	15,000	14,543
Receivables from Exchange Transactions	-	-	1,698
Receivables from Non-Exchange Transactions	15,658	15,000	12,845
	15,658	15,000	14,543

10. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Livestock	-	6,243	6,243
	-	6,243	6,243

11. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	18,553	10,921	10,921
Non-current Asset			
Long-term Bank Deposits	-	-	-



12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Land	28,000	-	-	-	-	28,000
Building Improvements	44,804	-	-	-	(1,240)	43,564
Furniture and Equipment	16,808	9,665	-	-	(6,826)	19,647
Information and Communication Technology	8,902	1,019	-	-	(3,123)	6,798
Library Resources	5,795	-	-	-	(724)	5,071
Balance at 31 December 2018	104,309	10,684	-	-	(11,913)	103,080

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Land	28,000	-	28,000
Building Improvements	62,000	(18,436)	43,564
Furniture and Equipment	53,880	(34,233)	19,647
Information and Communication Technology	19,247	(12,449)	6,798
Library Resources	27,216	(22,145)	5,071
Balance at 31 December 2018	190,343	(87,263)	103,080

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Land	28,000	-	-	-	-	28,000
Building Improvements	46,044	-	-	-	(1,240)	44,804
Furniture and Equipment	19,638	2,860	(423)	-	(5,267)	16,808
Information and Communication Technology	10,129	1,734	-	-	(2,961)	8,902
Library Resources	5,795	-	-	-	-	5,795
Balance at 31 December 2017	109,606	4,594	(423)	-	(9,468)	104,309

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Land	28,000	-	28,000
Building Improvements	62,000	(17,196)	44,804
Furniture and Equipment	44,215	(27,407)	16,808
Information and Communication Technology	19,858	(10,956)	8,902
Library Resources	27,216	(21,421)	5,795
Balance at 31 December 2017	181,289	(76,980)	104,309



13. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	5,820	3,500	7,932
Accruals	5,750	3,500	3,475
Employee Entitlements - salaries	15,658	15,000	12,844
	<u>27,228</u>	<u>22,000</u>	<u>24,251</u>
Payables for Exchange Transactions	27,228	22,000	24,251
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>27,228</u>	<u>22,000</u>	<u>24,251</u>

The carrying value of payables approximates their fair value.

14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	22,612	22,612	23,739
Increase/ (decrease) to the Provision During the Year	3,801	3,800	(1,127)
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>26,413</u>	<u>26,412</u>	<u>22,612</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	26,413	26,412	22,612
	<u>26,413</u>	<u>26,412</u>	<u>22,612</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	3,587	4,782	4,782
Later than One Year and no Later than Five Years	-	2,587	3,587
Later than Five Years	-	-	-
	<u>3,587</u>	<u>7,369</u>	<u>8,369</u>



16. Funds Held for Capital Works Projects

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

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Fencing	<i>completed</i>	-	139,021	139,021	-	-
Totals		-	139,021	139,021	-	-

Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

-

-

-

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Nil		-	-	-	-	-
Totals		-	-	-	-	-

17. Related Party Transactions

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

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



18. Remuneration

Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	3,535	3,720
Full-time equivalent members	0.20	0.20
<i>Leadership Team</i>		
Remuneration	100,473	96,125
Full-time equivalent members	1	1
Total key management personnel remuneration	<u>104,008</u>	<u>99,845</u>
Total full-time equivalent personnel	<u>1.20</u>	<u>1.20</u>

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

Principal

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

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	90-100	90-100
Benefits and Other Emoluments	2-3	2-3
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
	-	-
	<u>0.00</u>	<u>0.00</u>

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).

21. Commitments

(a) Capital Commitments

As at 31 December 2018 there are no capital commitments

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December there are no operating Commitments (2017: Nil)

(a) operating lease of laptops

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	73,783	53,862	49,149
Receivables	15,658	15,000	14,543
Investments - Term Deposits	18,553	10,921	10,921
Total Loans and Receivables	<u>107,994</u>	<u>79,783</u>	<u>74,613</u>

Financial liabilities measured at amortised cost

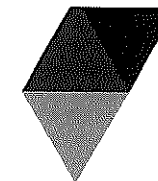
Payables	27,228	22,000	24,251
Finance Leases	3,587	7,369	8,369
Total Financial Liabilities Measured at Amortised Cost	<u>30,815</u>	<u>29,369</u>	<u>32,620</u>

24. Events After Balance Date

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



Analysis of Variance Reporting



School Name:	Tuturau School	School Number:	4032
Strategic Aim:	Tuturau School will ensure all students have the opportunity to reach their full potential in the school curriculum.		
Annual Aim:	To raise student achievement through a focus on student well being and engagement.		
Target:	<p>To lift the achievement in reading and maths so that 80% of students are achieving at the expected curriculum level for their age</p> <p>To lift the achievement of students in writing so that 70% are achieving at the expected curriculum level for their age</p> <p>To improve student engagement and 'relating to others' measured by the wellbeing@school survey</p>		
Baseline Data:	<ul style="list-style-type: none"> • At the end of 2017 we had 76% of students meet the national standard in reading • At the end of 2017 we had 67% of students meet the national standard in writing • At the end of 2017 we had 78% of students meet the national standard in maths <p>At the start of 2018 we surveyed our year 4-6 students using the wellbeing@schools student survey. After analysing the data from this we found that 6 students didn't feel that they learn about what they're interested in. There were 4 students who didn't think they learn how to get on with other people and 5 who didn't feel they could be themselves at school. There were 20 students surveyed.</p>		

TUTURAU PRIMARY SCHOOL 2018

Kiwi Sport

Kiwi Sport is a Government funding initiative to support students' participation in organised sport.

In 2018, Tuturau School used the Kiwisport funding of \$467.78 to assist with the payment for our Sports Activator programme.

This is a programme that is being run throughout schools in the Eastern Southland area and costs our school on a per child basis.

Kind regards,

Rebekah Prattley
Tuturau School Principal

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TUTURAU SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of Tuturau Primary School (the School). The Auditor-General has appointed me, Michael Lee, using the staff and resources of Crowe Horwath, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18, that comprise the Statement of Financial Position as at 31 December 2018, the Statement of Comprehensive Revenue and Expense, Statement of Changes in Net Assets/Equity and Cash Flow Statement for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2018; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 17 May 2019. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Trustees for the financial statements

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Analysis of Variance, Board of Trustees Listing and the Kiwisport Report but does not include the financial statements, and our auditor's report thereon.

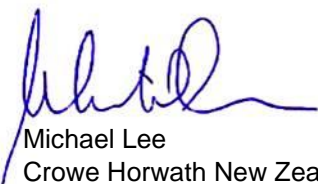
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Michael Lee
Crowe Horwath New Zealand Audit Partnership
On behalf of the Auditor-General
Invercargill, New Zealand