

# **EBBETT PARK SCHOOL**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

School Address:	600 Oliphant Road Hastings
School Postal Address:	600 Oliphant Road Hastings 4120
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Ministry Number:	2554

# Ebbett Park School

Financial Statements - For the year ended 31 December 2017

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# Analysis of Variance Reporting



<b>School Name:</b>	Ebbett Park School	<b>School Number:</b>	2554
<b>Strategic Aim:</b>	<p>To improve the outcome for all students, particularly in the priority groups of Maori, Pacifica and Children with special needs.</p> <p>To accelerate the learning of children who are performing below standard.</p>		
<b>Annual Aim:</b>	<p>To accelerate the level of achievement of all students in Writing particularly those achieving below standard.</p>		
<b>Target:</b>	<p><b>Moving 25% of children achieving below or well below standard after 1,2 and 3 years at school to at or above national standard in Writing by years' end.</b></p>		
<b>Baseline Data:</b>	<p>In 2016, 43% of children at the end of 1,2 and 3 years at school were achieving below or well below national standard in writing.</p>		

# Analysis of Variance Reporting



<b>School Name:</b>	Ebbett Park School	<b>School Number:</b>	2554
<b>Strategic Aim:</b>	To improve the outcome for all students, particularly in the priority groups of Maori, Pacifica and Children with special needs. To accelerate the learning of children who are performing below standard.		
<b>Annual Aim:</b>	To accelerate the level of achievement of all students in Reading particularly those achieving below standard.		
<b>Target:</b>	<b>85% of all children in Year 4,5 and 6 at or above national standard in Reading by years' end.</b>		
<b>Baseline Data:</b>	In 2016, 75% of children in Year 4,5 and 6 were achieving at or above national standard in reading.		



# EBBETT PARK SCHOOL

600 Oliphant Road, Hastings 4120 Phone/Fax: (06) 878 9599  
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23 January 2018

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organized sport. In 2017, the school received total Kiwisport funding of \$2275.00 (excluding GST).

The funding was spent on reversible netball/basketball hoops.

*S. O'Shea*



**EXCELLENCE**

**PRIDE**

**SPIRIT**

**Ebbett Park School**  
**Statement of Responsibility**  
For the year ended 31 December 2017

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2017 fairly reflects the financial position and operations of the School.

The School's 2017 financial statements are authorised for issue by the Board.

Geoff Edwards

Full Name of Board Chairperson



Signature of Board Chairperson

18 May 2018

Date:

Hamish Dufty

Full Name of Acting Principal



Signature of Principal

18 May 2018

Date:

**Ebbett Park School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Revenue</b>				
Government Grants	2	1,298,743	1,206,921	1,262,572
Locally Raised Funds	3	28,777	15,500	39,603
Interest Earned		4,093	5,000	4,128
Gain on Sale of Property, Plant and Equipment		-	-	1,121
		<u>1,331,613</u>	<u>1,227,421</u>	<u>1,307,424</u>
<b>Expenses</b>				
Locally Raised Funds	3	11,598	8,000	15,390
Learning Resources	4	943,071	847,857	895,910
Administration	5	79,388	66,760	72,111
Finance		1,322	-	765
Property	6	290,541	285,725	275,489
Depreciation	7	31,872	34,000	28,986
Loss on Disposal of Property, Plant and Equipment		1,146	-	5,519
		<u>1,358,939</u>	<u>1,242,342</u>	<u>1,294,170</u>
<b>Net Surplus / (Deficit) for the year</b>		(27,326)	(14,921)	13,254
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(27,326)</u>	<u>(14,921)</u>	<u>13,254</u>

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

**Ebbett Park School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
<b>Balance at 1 January</b>	<u>380,961</u>	<u>380,961</u>	<u>367,708</u>
Total Comprehensive Revenue and Expense for the Year	(27,326)	(14,921)	13,253
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	-
<b>Equity at 31 December</b>	<u>353,635</u>	<u>366,040</u>	<u>380,961</u>
Retained Earnings	353,635	366,040	380,961
Reserves	-	-	-
<b>Equity at 31 December</b>	<u>353,635</u>	<u>366,040</u>	<u>380,961</u>

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



**Ebbett Park School**  
**Statement of Financial Position**  
As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	191,985	324,653	304,486
Accounts Receivable	9	37,433	39,016	39,016
GST Receivable		11,723	-	-
Inventories	10	2,358	2,621	2,621
		<hr/>	<hr/>	<hr/>
		243,500	366,290	346,123
<b>Current Liabilities</b>				
GST Payable		-	8,106	8,106
Accounts Payable	12	72,728	60,333	60,333
Revenue Received in Advance	13	4,128	1,580	1,580
Finance Lease Liability - Current Portion	15	8,163	3,235	5,447
Funds Held for Capital Works Projects	16	(54)	75,456	75,456
		<hr/>	<hr/>	<hr/>
		84,965	148,710	150,922
<b>Working Capital Surplus/(Deficit)</b>		158,535	217,580	195,201
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	257,033	210,321	239,821
		<hr/>	<hr/>	<hr/>
		257,033	210,321	239,821
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	57,000	55,867	48,067
Finance Lease Liability	15	4,932	5,994	5,994
		<hr/>	<hr/>	<hr/>
		61,932	61,861	54,061
<b>Net Assets</b>		<hr/>	<hr/>	<hr/>
		353,635	366,040	380,961
<b>Equity</b>		<hr/>	<hr/>	<hr/>
		353,635	366,040	380,961

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

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

	2017	2017	2016
Note	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
<b>Cash flows from Operating Activities</b>			
Government Grants	459,041	365,088	432,762
Locally Raised Funds	28,018	15,500	40,162
Goods and Services Tax (net)	(19,832)	-	12,972
Payments to Employees	(302,111)	(240,617)	(252,487)
Payments to Suppliers	(156,303)	(118,092)	(160,915)
Interest Paid	(1,322)	-	(765)
Interest Received	4,093	5,000	4,128
Net cash from / (to) the Operating Activities	11,584	26,879	75,857
<b>Cash flows from Investing Activities</b>			
Proceeds from Sale of PPE (and Intangibles)	1,211	-	16,604
Purchase of PPE (and Intangibles)	(46,470)	(4,500)	(34,559)
Net cash from / (to) the Investing Activities	(45,259)	(4,500)	(17,955)
<b>Cash flows from Financing Activities</b>			
Furniture and Equipment Grant	-	-	1,010
Finance Lease Payments	(3,316)	(2,212)	5,915
Funds Administered on Behalf of Third Parties	-	-	75,456
Funds Held for Capital Works Projects	16 (75,510)	-	-
Net Cash from Financing Activities	(78,826)	(2,212)	82,381
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(112,501)</b>	<b>20,167</b>	<b>140,282</b>
Cash and Cash Equivalents at the beginning of the year	8 304,486	304,486	164,204
<b>Cash and Cash Equivalents at the end of the year</b>	<b>8 191,985</b>	<b>324,653</b>	<b>304,486</b>

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

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

# Ebbett Park School

## Notes to the Financial Statements

For the year ended 31 December 2017

### 1. Statement of Accounting Policies

#### a) Reporting Entity

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

#### b) Basis of Preparation

##### *Reporting Period*

The financial reports have been prepared for the period 1 January 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

##### *Basis of Preparation*

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

##### *Financial Reporting Standards Applied*

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

##### *PBE Accounting Standards Reduced Disclosure Regime*

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

##### *Measurement Base*

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

##### *Presentation Currency*

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

##### *Specific Accounting Policies*

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

##### *Critical Accounting Estimates And Assumptions*

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

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

##### *Useful lives of property, plant and equipment*

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

# Ebbett Park School

## Notes to the Financial Statements

For the year ended 31 December 2017

### ***Critical Judgements in applying accounting policies***

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

#### ***Classification of leases***

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

#### ***Recognition of grants***

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

### **c) Revenue Recognition**

#### ***Government Grants***

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

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

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

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

#### ***Other Grants***

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

#### ***Donations, Gifts and Bequests***

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

#### ***Interest Revenue***

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

### **d) Use of Land and Buildings Expense**

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

### **e) 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 on call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

# Ebbett Park School

## Notes to the Financial Statements

For the year ended 31 December 2017

### 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) Property, Plant and Equipment

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

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

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

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

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

### Leased Assets

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

### Depreciation

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

The estimated useful lives of the assets are:

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

# Ebbett Park School

## Notes to the Financial Statements

For the year ended 31 December 2017

### **k) Impairment of Property, Plant and Equipment and Intangible Assets**

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

#### *Non cash generating assets*

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

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

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

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

### **l) Accounts Payable**

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

### **m) Employee Entitlements**

#### *Short-term employee entitlements*

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

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

### **n) 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.

### **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.

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

**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.

**t) Comparatives**

Some comparatives have been restated in order to conform with current year presentation, however the Total Comprehensive Revenue and Expense for 2016 remains unchanged.

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

**2. Government Grants**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational Grants	364,071	319,214	323,511
Teachers' Salaries Grants	649,308	649,308	653,147
Use of Land and Buildings Grants	192,525	192,525	176,663
Other MOE Grants	92,838	45,874	109,251
	<u>1,298,743</u>	<u>1,206,921</u>	<u>1,262,572</u>

**3. Locally Raised Funds**

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Revenue</b>			
Donations	2,552	2,000	2,208
Fundraising	4,489	2,000	5,940
Trading	13,178	7,800	17,621
Activities	8,558	3,700	13,836
	<u>28,777</u>	<u>15,500</u>	<u>39,603</u>
<b>Expenses</b>			
Trading	11,598	8,000	15,390
	<u>11,598</u>	<u>8,000</u>	<u>15,391</u>
	<u>17,179</u>	<u>7,500</u>	<u>24,212</u>

*Surplus for the year Locally raised funds*

Income from Fundraising includes the following donations:  
\$700 from Omni Gym  
\$400 from Hawke's Bay Power Consumer Trust

**4. Learning Resources**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Curricular	25,803	22,776	31,921
Equipment Repairs	2,638	700	2,279
Information and Communication Technology	4,567	2,048	5,707
Extra-Curricular Activities	13,218	4,650	19,744
Library Resources	540	700	811
Employee Benefits - Salaries	888,385	809,983	825,714
Staff Development	7,921	7,000	9,734
	<u>943,071</u>	<u>847,857</u>	<u>895,910</u>



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

**5. Administration**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Audit Fee	4,120	3,200	3,600
Board of Trustees Fees	2,815	3,000	2,745
Board of Trustees Expenses	207	1,000	2,884
Communication	6,232	2,180	5,427
Consumables	7,778	5,800	6,909
Other	15,379	10,338	9,590
Employee Benefits - Salaries	37,066	35,942	34,947
Insurance	1,909	1,000	1,750
Service Providers, Contractors and Consultancy	3,882	4,300	4,259
	79,388	66,760	72,111

**6. Property**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Caretaking and Cleaning Consumables	9,735	8,600	11,727
Cyclical Maintenance Expense	8,933	7,800	8,933
Grounds	20,930	8,900	8,006
Heat, Light and Water	10,683	9,500	9,542
Rates	1,432	1,400	1,124
Repairs and Maintenance	8,784	13,000	13,256
Use of Land and Buildings	192,525	192,525	176,663
Security	3,843	-	4,009
Employee Benefits - Salaries	33,676	44,000	42,229
	290,541	285,725	275,489

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**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Furniture and Equipment	2,972	3,500	2,580
Other Equipment	1,267	1,500	1,066
Information and Communication Technology	18,541	17,750	17,137
Buildings Improvements - Crown	4,511	5,500	4,511
Library Resources	2,677	3,250	2,454
Leased Assets	1,904	2,500	1,238
	31,872	34,000	28,986

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

**8. Cash and Cash Equivalents**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash on Hand	300	300	300
Bank Current Account	12,477	145,166	124,999
Bank Call Account	179,209	179,187	179,187
Cash equivalents and bank overdraft for Cash Flow Statement	<u>191,985</u>	<u>324,653</u>	<u>304,486</u>

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

**9. Accounts Receivable**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Receivables	514	174	174
Receivables from the Ministry of Education	836	-	-
Teacher Salaries Grant Receivable	36,083	38,842	38,842
	<u>37,433</u>	<u>39,016</u>	<u>39,016</u>
Receivables from Exchange Transactions	514	174	174
Receivables from Non-Exchange Transactions	36,919	38,842	38,842
	<u>37,433</u>	<u>39,016</u>	<u>39,016</u>

**10. Inventories**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
School Uniforms	2,358	2,621	2,621
	<u>2,358</u>	<u>2,621</u>	<u>2,621</u>

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

**11. Property, Plant and Equipment**

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Furniture and Equipment	5,484	36,654	(584)	-	(2,972)	38,583
Other Equipment	4,732	3,768	(90)	-	(1,267)	7,143
Information and Communication Technology	46,518	3,184	(1,503)	-	(18,541)	29,658
Buildings Improvements - Crown	162,298	-	-	-	(4,511)	157,787
Leased Assets	3,612	4,970	-	-	(1,904)	6,679
Library Resources	17,177	2,864	(181)	-	(2,677)	17,183
<b>Balance at 31 December 2017</b>	<b>239,821</b>	<b>51,441</b>	<b>(2,357)</b>	<b>-</b>	<b>(31,872)</b>	<b>257,033</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Furniture and Equipment	114,947	(76,364)	38,583
Other Equipment	112,570	(105,427)	7,143
Information and Communication Technology	115,909	(86,251)	29,658
Buildings Improvements - Crown	241,368	(83,581)	157,787
Leased Assets	11,162	(4,484)	6,679
Library Resources	77,714	(60,532)	17,183
<b>Balance at 31 December 2017</b>	<b>673,671</b>	<b>(416,638)</b>	<b>257,033</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Furniture and Equipment	4,936	3,128	-	-	(2,580)	5,484
Other Equipment	5,016	782	-	-	(1,066)	4,732
Information and Communication Technology	54,731	12,723	(3,799)	-	(17,137)	46,518
Buildings Improvements - Crown	166,809	-	-	-	(4,511)	162,298
Leased Assets	4,850	-	-	-	(1,238)	3,612
Library Resources	18,909	899	(177)	-	(2,454)	17,177
<b>Balance at 31 December 2016</b>	<b>255,251</b>	<b>17,532</b>	<b>(3,976)</b>	<b>-</b>	<b>(28,986)</b>	<b>239,821</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Furniture and Equipment	79,461	(73,977)	5,484
Other Equipment	108,982	(104,250)	4,732
Information and Communication Technology	114,410	(67,892)	46,518
Buildings Improvements - Crown	241,368	(79,070)	162,298
Leased Assets	6,192	(2,580)	3,612
Library Resources	75,118	(57,941)	17,177
<b>Balance at 31 December 2016</b>	<b>625,531</b>	<b>(385,710)</b>	<b>239,821</b>

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

**12. Accounts Payable**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating Creditors	21,392	-	-
Accruals	3,650	13,994	13,994
Capital Accruals for PPE items	-	3,600	3,600
Employee Entitlements - Salaries	40,143	42,739	42,739
Employee Entitlements - Leave Accrual	7,543	-	-
	<u>72,728</u>	<u>60,333</u>	<u>60,333</u>
Payables for Exchange Transactions	72,728	60,333	60,333
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>72,728</u>	<u>60,333</u>	<u>60,333</u>

The carrying value of payables approximates their fair value.

**13. Revenue Received in Advance**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Grants in Advance - Ministry of Education	2,967	-	-
Other	1,161	1,580	1,580
	<u>4,128</u>	<u>1,580</u>	<u>1,580</u>

**14. Provision for Cyclical Maintenance**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	48,067	48,067	39,134
Increase to the Provision During the Year	8,933	7,800	8,933
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>57,000</u>	<u>55,867</u>	<u>48,067</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	57,000	55,867	48,067
	<u>57,000</u>	<u>55,867</u>	<u>48,067</u>

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

**15. Finance Lease Liability**

The School has entered into a number of finance lease agreements for laptops, ipads and a photocopier. Minimum lease payments payable:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	8,163	3,235	5,447
Later than One Year and no Later than Five Years	6,294	5,994	7,412
	<u>14,457</u>	<u>9,229</u>	<u>12,859</u>

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

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

	2017	Opening Balances \$	Receipts from MOE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Block A & B Re-roof	<i>in progress</i>	75,456	71,602	147,112	-	(54)
Totals		<u>75,456</u>	<u>71,602</u>	<u>147,112</u>	-	<u>(54)</u>
<b>Represented by:</b>						
Funds Held on Behalf of the Ministry of Education						-
Funds Due from the Ministry of Education						54
						<u>54</u>

	2016	Opening Balances \$	Receipts from MOE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Block A & B Re-roof	<i>in progress</i>	-	84,960	9,504	-	75,456
Totals		<u>-</u>	<u>84,960</u>	<u>9,504</u>	-	<u>75,456</u>

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

**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 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.

**18. Remuneration**

*Key management personnel compensation*

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	2,815	2,745
Full-time equivalent members	0.07	0.01
<i>Leadership Team</i>		
Remuneration	298,200	211,600
Full-time equivalent members	3	2
Total key management personnel remuneration	301,015	214,345
Total full-time equivalent personnel	3.07	2.01

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:

	2017 Actual \$000	2016 Actual \$000
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	120 - 130	110 - 120
Benefits and Other Emoluments	0 - 0	0 - 0
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	2017 FTE Number	2016 FTE Number
110 - 120	-	-
100 - 110	-	-
	0.00	0.00

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

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

**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:

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

**20. Contingencies**

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

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

**21. Commitments**

**(a) Capital Commitments**

As at 31 December 2017 the Board has entered into contract agreements for capital works as follows:

(a) \$147,112 contract to have the Roof upgraded on Blocks A & B as agent for the Ministry of Education. This project is fully funded by th Ministry and \$147,056 has been received of which \$147,112 has been spend on the project to date, therefore the Board has a

(Capital commitments at 31 December 2016: \$84,960)

**(b) Operating Commitments**

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

(a) operating leases for computer equipment;

	2017 Actual \$	2016 Actual \$
No later than One Year	2,485	2,967
Later than One Year and No Later than Five Years	1,743	4,228
	4,228	7,195

**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.

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

**23. Financial Instruments**

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

**Loans and receivables**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	191,985	324,653	304,486
Receivables	37,433	39,016	39,016
<b>Total Loans and Receivables</b>	<b>229,418</b>	<b>363,669</b>	<b>343,502</b>

**Financial liabilities measured at amortised cost**

Payables	72,728	60,333	60,333
Finance Leases	13,095	9,229	11,441
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>85,823</b>	<b>69,562</b>	<b>71,774</b>

**24. Events After Balance Date**

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



**Ebbett Park School**  
**Members of the Board of Trustees**  
For the year ended 31 December 2017

<u>Name</u>	<u>Position</u>	<u>How Appointed</u>	<u>Term Expire/Expires</u>
Geoff Edwards	Chairperson	Elected	2019
Hamish Duffy	Acting Principal	Appointed	N/A
Steve Bloor	Principal	Appointed	December 2017
Bianca Brooking	Parent Rep	Re-Elected	2019
Steve Lenz	Parent Rep	Re-Elected	2019
Deanna Tahua	Parent Rep	Elected	2019
Mandy Goodley	Parent Rep	Elected	2019
Amalia Canterbury	Parent Rep	Co-opted	2019
Angela Haggerty	Parent Rep	Co-opted	2019
Lynda Firm	Minutes Secretary		2019



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF EBBETT PARK SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The Auditor-General is the auditor of Ebbett Park School (the School). The Auditor-General has appointed me, Victoria Jane Lawson, using the staff and resources of PricewaterhouseCoopers, 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 19, that comprise the statement of financial position as at 31 December 2017, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows 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 2017; 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 Benefit Entity Standards Reduced Disclosure Regime issued in New Zealand (PBE Standards RDR).

Our audit was completed on 18 May 2018. 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 for our 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 information included within the Analysis of Variance, Kiwisport, and the Members of the Board of Trustees which form part of the Annual 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.

A handwritten signature in blue ink that reads 'V. J. Lawson'.

**Victoria Jane Lawson**  
**PricewaterhouseCoopers**  
**On behalf of the Auditor-General**  
**Napier, New Zealand**