

# **Dargaville Primary School**

## **Annual Report for the year ended 31 December 2018**

<b>Ministry Number:</b>	1009
<b>Principal:</b>	Alan Russek
<b>School Address:</b>	Portland Street, Dargaville
<b>School Postal Address:</b>	PO Box 75, Dargaville 0340
<b>School Phone:</b>	09 439 7255
<b>School Email:</b>	<a href="mailto:office@dargavilleprimary.school.nz">office@dargavilleprimary.school.nz</a>
<b>Service Provider:</b>	Edtech Financial Services Ltd

**BOT MEMBERS 2019**

Name	Role	
Tracy Hayward	Chairperson	
Campbell Chitty	Vice Chairperson	Resigned early in year due to family illness
Helena Williamson	Finance Officer	
Chris Mason	Parent Rep	
Brian Lowe	Parent Rep	
Jenny Bishop	Staff Rep	
Alan Russek	Principal	Retires from teaching end Term 2 2019
Nicki Eddy	Board Secretary	

# **Dargaville Primary School**

## **Annual Report**

For the year ended 31 December 2018

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**Dargaville Primary 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.

Tracy Hayward  
Full Name of Board Chairperson

T. Hayward  
Signature of Board Chairperson

30-May 2019.  
Date:

Alan Russek  
Full Name of Principal

A. Russek  
Signature of Principal

30 May 2019  
Date:

# Dargaville Primary School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>				
Government Grants	2	2,732,916	2,233,592	2,677,666
Locally Raised Funds	3	144,836	94,100	143,777
Interest Earned		9,023	8,000	15,396
		<u>2,886,775</u>	<u>2,335,692</u>	<u>2,836,839</u>
<b>Expenses</b>				
Locally Raised Funds	3	88,778	44,000	87,017
Learning Resources	4	1,995,255	1,677,260	1,978,651
Administration	5	134,405	150,400	131,671
Finance Costs		3,312	-	1,928
Property	6	563,383	363,710	527,520
Depreciation	7	103,752	93,000	90,333
Loss on Disposal of Property, Plant and Equipment		2,903	-	23,299
		<u>2,891,788</u>	<u>2,328,370</u>	<u>2,840,419</u>
<b>Net Surplus / (Deficit) for the year</b>		(5,013)	7,322	(3,580)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(5,013)</u>	<u>7,322</u>	<u>(3,580)</u>

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



**Dargaville Primary School**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2018

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Balance at 1 January	1,019,882	1,019,882	1,023,462
Total comprehensive revenue and expense for the year	(5,013)	7,322	(3,580)
Equity at 31 December	1,014,869	1,027,204	1,019,882
Retained Earnings	1,014,869	1,027,204	1,019,882
Equity at 31 December	1,014,869	1,027,204	1,019,882

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



# Dargaville Primary School

## Statement of Financial Position

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	107,599	146,897	184,108
Accounts Receivable	9	134,729	115,000	132,760
GST Receivable		14,604	5,500	5,577
Prepayments		6,357	4,500	4,122
Inventories	10	15,764	11,500	11,971
Investments	11	320,038	311,000	310,600
		<u>599,091</u>	<u>594,397</u>	<u>649,138</u>
<b>Current Liabilities</b>				
Accounts Payable	13	168,695	151,700	152,846
Provision for Cyclical Maintenance	14	33,281	36,535	31,950
Finance Lease Liability - Current Portion	15	16,931	18,046	18,046
Funds Held in Trust	16	17,231	73,270	73,270
Funds Held for Capital Works Projects	17	43,588	22,270	22,271
		<u>279,726</u>	<u>301,821</u>	<u>298,383</u>
<b>Working Capital Surplus/(Deficit)</b>		<u>319,365</u>	<u>292,576</u>	<u>350,755</u>
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	751,005	746,036	729,036
		<u>751,005</u>	<u>746,036</u>	<u>729,036</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	37,335	-	30,455
Finance Lease Liability	15	18,166	11,408	29,454
		<u>55,501</u>	<u>11,408</u>	<u>59,909</u>
<b>Net Assets</b>		<u><u>1,014,869</u></u>	<u><u>1,027,204</u></u>	<u><u>1,019,882</u></u>
<b>Equity</b>		<u><u>1,014,869</u></u>	<u><u>1,027,204</u></u>	<u><u>1,019,882</u></u>

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



# Dargaville Primary School

## Statement of Cash Flows

For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		706,630	610,032	737,534
Locally Raised Funds		144,676	94,100	143,316
Goods and Services Tax (net)		(9,027)	7,000	20,348
Payments to Employees		(451,096)	(301,800)	(480,205)
Payments to Suppliers		(291,327)	(366,158)	(329,466)
Interest Paid		(3,312)	-	(1,928)
Interest Received		12,134	5,500	12,448
<b>Net cash from / (to) the Operating Activities</b>		<b>108,678</b>	<b>48,674</b>	<b>102,047</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		(2,903)	-	(23,299)
Purchase of PPE (and Intangibles)		(121,752)	(200,651)	(100,643)
Purchase of Investments		(9,438)	(11,000)	(9,159)
<b>Net cash from / (to) the Investing Activities</b>		<b>(134,093)</b>	<b>(211,651)</b>	<b>(133,101)</b>
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(16,372)	22,654	(14,256)
Funds Administered on Behalf of Third Parties		(56,039)	49,870	(46,730)
Funds Held for Capital Works Projects		21,317	17,270	(84,302)
<b>Net cash from / (to) Financing Activities</b>		<b>(51,094)</b>	<b>89,794</b>	<b>(145,288)</b>
<b>Net Increase/(decrease) in cash and cash equivalents</b>		<b>(76,509)</b>	<b>(73,183)</b>	<b>(176,342)</b>
Cash and cash equivalents at the beginning of the year	8	184,108	220,080	360,450
Cash and cash equivalents at the end of the year	8	107,599	146,897	184,108

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

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





# Dargaville Primary School

## Notes to the Financial Statements

For the year ended 31 December 2018

### 1. Statement of Accounting Policies

#### **Reporting Entity**

Dargaville Primary 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.

#### **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.



## Dargaville Primary School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

### *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.

### **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. Bequests with conditions attached are recorded as funds in trust until such time as the conditions have been met and released to revenue accordingly.

#### **Interest Revenue**

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

#### **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.

#### **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.

#### **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.



## **Dargaville Primary School**

# **Notes to the Financial Statements (cont.)**

For the year ended 31 December 2018

### **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.

### **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.

### **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.

### **Investments**

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

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

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

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

### **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.



## Dargaville Primary School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

### **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	3-40 years
Information and communication technology	3-5 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

### **Impairment of property, plant, and equipment**

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 are 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.

### **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.

### **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.



## Dargaville Primary School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

### *Long-term employee entitlements*

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

### **Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

### **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).

### **Financial Assets and Liabilities**

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

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

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

### **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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Budget Figures**

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

### **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.



## Dargaville Primary School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

#### 2 Government Grants

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational grants	537,437	544,032	556,635
Teachers' salaries grants	1,600,421	1,400,000	1,559,242
Use of Land and Buildings grants	431,156	223,560	384,318
Resource teachers learning and behaviour grants	14,143	-	-
Other MoE Grants	149,759	66,000	126,569
Other government grants	-	-	50,902
	<u>2,732,916</u>	<u>2,233,592</u>	<u>2,677,666</u>

#### 3 Locally Raised Funds

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

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
Donations	25,342	22,000	26,366
Bequests	56,039	-	46,730
Trading	21,725	20,000	19,245
Activities	41,730	52,100	51,436
	<u>144,836</u>	<u>94,100</u>	<u>143,777</u>
<b>Expenses</b>			
Activities	67,750	34,000	67,403
Trading	21,028	10,000	19,614
	<u>88,778</u>	<u>44,000</u>	<u>87,017</u>
	<u>56,058</u>	<u>50,100</u>	<u>56,760</u>

*Surplus/ (Deficit) for the year Locally Raised Funds*

#### 4 Learning Resources

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	53,247	61,460	32,834
Equipment repairs	106	3,000	1,558
Information and communication technology	8,369	15,500	8,674
Library resources	1,712	2,000	1,977
Employee benefits - salaries	1,918,754	1,571,500	1,918,408
Staff development	13,067	23,800	15,200
	<u>1,995,255</u>	<u>1,677,260</u>	<u>1,978,651</u>



# Dargaville Primary School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

### 5 Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,452	3,500	3,920
Board of Trustees Fees	3,165	3,500	3,376
Board of Trustees Expenses	129	2,300	438
Communication	3,408	5,450	4,814
Consumables	14,573	16,400	17,539
Operating Lease	761	10,000	4,621
Other	15,181	19,250	9,480
Employee Benefits - Salaries	82,242	78,000	75,327
Insurance	4,952	6,500	5,160
Service Providers, Contractors and Consultancy	5,542	5,500	6,996
	<u>134,405</u>	<u>150,400</u>	<u>131,671</u>

### 6 Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	4,551	6,550	7,369
Consultancy and Contract Services	22,898	25,000	25,273
Cyclical Maintenance Expense	8,211	5,000	8,782
Grounds	2,306	3,100	4,018
Heat, Light and Water	20,871	18,600	20,092
Rates	6,705	8,500	8,316
Repairs and Maintenance	7,336	8,100	10,048
Use of Land and Buildings	431,156	223,560	384,318
Employee Benefits - Salaries	59,349	65,300	59,304
	<u>563,383</u>	<u>363,710</u>	<u>527,520</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	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	9,808	93,000	9,468
Furniture and Equipment	31,082	-	29,590
Information and Communication Technology	38,385	-	32,397
Leased Assets	19,259	-	13,162
Library Resources	5,218	-	5,716
	<u>103,752</u>	<u>93,000</u>	<u>90,333</u>

BDO Northland  
ASSURANCE *PR*

# Dargaville Primary School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

### 8 Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash on Hand	40	40	40
Bank Current Account	18,770	24,857	62,633
Bank Call Account	88,789	122,000	121,435
Cash and cash equivalents for Cash Flow Statement	107,599	146,897	184,108

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

Of the \$107,599 Cash and Cash Equivalents, \$43,588 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan.

### 9 Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	160	-	-
Interest Receivable	1,392	4,500	4,503
Bank Staffing Underuse	12,312	-	17,603
Teacher Salaries Grant Receivable	120,865	110,500	110,654
	134,729	115,000	132,760
Receivables from Exchange Transactions	1,552	4,500	4,503
Receivables from Non-Exchange Transactions	133,177	110,500	128,257
	134,729	115,000	132,760

### 10 Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Stationery	1,590	1,500	1,609
School Uniforms	14,174	10,000	10,362
	15,764	11,500	11,971

### 11 Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset	320,038	311,000	310,600
Short-term Bank Deposits	320,038	311,000	310,600

BDO Northland  
ASSURANCE *BB*



Dargaville Primary School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

## 12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2018						
Land	75,600	-	-	-	-	75,600
Building improvements	252,245	54,372	-	-	(9,808)	296,809
Furniture and equipment	171,387	19,043	-	-	(31,083)	159,347
Information and communication technology	136,348	43,766	-	-	(38,385)	141,729
Leased assets	51,712	3,969	-	-	(19,259)	36,422
Library resources	41,744	7,475	(2,903)	-	(5,218)	41,098
Balance at 31 December 2018	729,036	128,625	(2,903)	-	(103,753)	751,005

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2018			
Land	75,600	-	75,600
Building improvements	428,246	(131,437)	296,809
Furniture and equipment	580,668	(421,321)	159,347
Information and communication technology	357,824	(216,095)	141,729
Leased assets	85,021	(48,599)	36,422
Library resources	147,160	(106,062)	41,098
Balance at 31 December 2018	1,674,519	(923,514)	751,005

The net carrying value of equipment held under a finance lease is \$36,422 (2017: \$51,712).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2017						
Land	75,600	-	-	-	-	75,600
Building improvements	261,713	-	-	-	(9,468)	252,245
Furniture and equipment	169,460	54,051	(22,533)	-	(29,590)	171,388
Information and communication technology	106,701	62,054	(10)	-	(32,397)	136,348
Leased assets	19,532	45,341	-	-	(13,162)	51,711
Library resources	40,379	7,837	(756)	-	(5,716)	41,744
Balance at 31 December 2017	673,385	169,283	(23,299)	-	(90,333)	729,036

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2017			
Land	75,600	-	75,600
Building improvements	373,874	(121,629)	252,245
Furniture and equipment	561,626	(390,239)	171,387
Information and communication technology	314,057	(177,709)	136,348
Leased assets	81,052	(29,340)	51,712
Library resources	150,125	(108,381)	41,744
Balance at 31 December 2017	1,556,334	(827,298)	729,036

BDO Northland  
ASSURANCE *BDO*

# Dargaville Primary School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

### 13 Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	(301)	4,000	3,753
Accruals	3,984	3,200	3,120
Capital accruals for PPE Items	-	-	-
Banking staffing overuse	-	-	-
Employee Entitlements - salaries	131,332	110,500	112,288
Employee Entitlements - leave accrual	33,680	34,000	33,685
	<u>168,695</u>	<u>151,700</u>	<u>152,846</u>
Payables for Exchange Transactions	<u>168,695</u>	<u>151,700</u>	<u>152,846</u>
	<u>168,695</u>	<u>151,700</u>	<u>152,846</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	62,405	62,405	53,623
Increase to the Provision During the Year	4,930	5,000	12,401
Adjustment to the Provision	-	-	(3,619)
Use of the Provision During the Year	-	(30,870)	-
Provision at the End of the Year	<u>67,335</u>	<u>36,535</u>	<u>62,405</u>
Cyclical Maintenance - Current	33,281	36,535	31,950
Cyclical Maintenance - Term	37,335	-	30,455
	<u>70,616</u>	<u>36,535</u>	<u>62,405</u>

### 15 Finance Lease Liability

The school has entered into a number of finance lease agreements for TRL Leasing.  
Minimum lease payments payable (includes interest portion):

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	18,715	-	20,023
Later than One Year and no Later than Five Years	10,898	-	28,540
	<u>29,613</u>	<u>-</u>	<u>48,563</u>

### 16 Funds held in Trust

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	17,231	73,270	73,270
	<u>17,231</u>	<u>73,270</u>	<u>73,270</u>

These funds relate to a bequest with specific conditions attached. As funds are spent, in accordance with the specific conditions of the bequest, funds are released to revenue.



# Dargaville Primary School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

### 17 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:

					BOT Contribution/ (Write-off to R&M)	Closing Balances
	2018	Opening Balances	Receipts from MoE	Payments		
		\$	\$	\$		\$
Building Projects - 5yr Plan	<i>In progress</i>	22,271	-	26,408	-	(4,137)
Heating Projects - 5yr Plan	<i>In progress</i>	-	78,300	30,575	-	47,725
Totals		22,271	78,300	56,983	-	43,588

Represented by:

Funds Held on Behalf of the Ministry of Education

43,588

43,588

					BOT Contribution/ (Write-off to R&M)	Closing Balances
	2017	Opening Balances	Receipts from MoE	Payments		
		\$	\$	\$		\$
Building Projects - 5yr Plan	<i>In progress</i>	106,573	-	84,302	-	22,271
Totals		106,573	-	84,302	-	22,271

### 18 Related Party Transactions

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

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and 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.



## Dargaville Primary School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

#### 19 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	3,165	3,376
Full-time equivalent members	0.06	3.69
<i>Leadership Team</i>		
Remuneration	315,903	645,652
Full-time equivalent members	3.00	7.00
Total key management personnel remuneration	319,068	649,028
Total full-time equivalent personnel	3.06	10.69

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	140-150	140-150
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

##### *Other Employees*

No other employee received total remuneration over \$100,000 (2017: Nil).

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

#### 20 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.



## Dargaville Primary School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

## 21 Contingencies

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

(Contingent liabilities and assets as at 31 December 2017: nil)

### Holidays Act Compliance – schools payroll

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

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

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

## 22 Commitments

### (a) Capital Commitments

As at 31 December 2018 the Board has entered into contract agreements for capital works as follows:

(a) \$294,232 contract for 5YA Building Project which will be fully funded by the Ministry of Education. \$264,809 has been received of which \$268,940 has been spent on the project to date.

(b)ARTO Architects contract for the 5YA Heating Project. This project is fully funded by the Ministry and \$78,300 has been received of which \$30,575 has been spent on the project to balance date. This project has been approved by the Ministry.

### (b) Operating Commitments

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

- operating lease of a photocopier

No later than One Year

2018 Actual \$	2017 Actual \$
133	373
<u>133</u>	<u>373</u>

## 23 Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but "attempts" to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

## 24 Financial Instruments

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Loans and Receivables</b>			
Cash and Cash Equivalents	107,599	146,897	184,108
Receivables	134,729	115,000	132,760
Investments - Term Deposits	320,038	311,000	310,600
<b>Total Loans and Receivables</b>	<b>562,366</b>	<b>572,897</b>	<b>627,468</b>
<b>Financial liabilities measured at amortised cost</b>			
Payables	168,695	151,700	152,846
Finance Leases	35,097	29,454	47,500
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>203,792</b>	<b>181,154</b>	<b>200,346</b>

## 25 Events After Balance Date

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



# Dargaville Primary 2018

## Student Achievement Analysis of Variance

### School Strategic Aims – Goals

- OPS Plans; Curriculum – Learning Progression Framework
- Special Educational Needs students are supported in their learning so that they can progress in to the NZC and participate in and contribute to their school.

The following overview of objectives and targets is incorporated into the 2018 Strategic and Operational Plans.

### School Objectives on Achievement

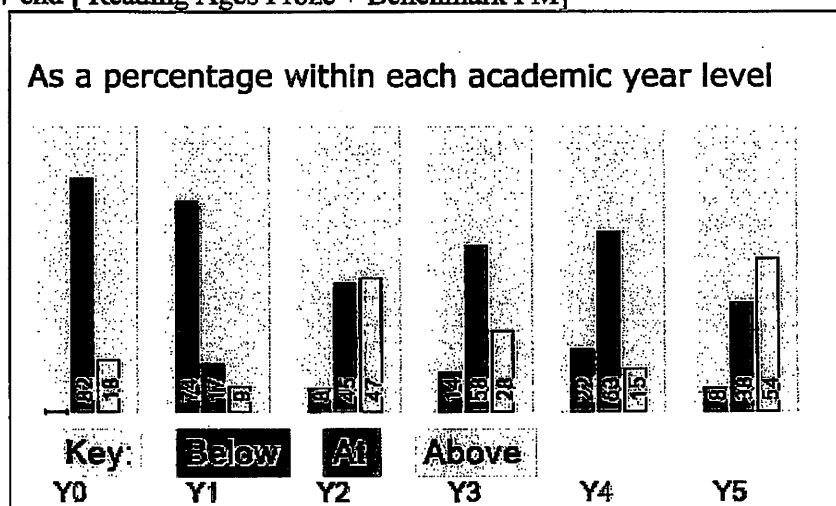
1. Maori and Pacifica Student;  
To be achieving equitable percentage levels in New Zealand Curriculum statements – results aligned to all DPS students.
2. Reading;  
To have students achieving progress through progression levels of NZC and having 80% at or above age appropriate levels. All Students above 80% Maori + Pacifica above 80%
3. Mathematics;  
To have students achieving progress through progression levels of NZC and having 80% at or above age appropriate levels. All Students above 80% Maori + Pacifica above 80%
4. Writing  
To have students achieving progress through progression levels of NZC and having 80% at or above age appropriate levels. All Students above 80% Maori + Pacifica above 80%

### Reading

#### Objective;

To have students achieving progress through progression levels of NZC and having 80% at or above age appropriate levels. All Students above 80% Maori + Pacifica above 80%

Baseline Data; 2017 end [ Reading Ages Proze + Benchmark PM]



Target 2018;

That year groups / cohort of students who at end of 2017 were below to reduce the percentage by end of 2018.

Year 2: 74% to 20%

Year 4: 14% to 10%

Year 5: 22% to 20%

And that equitable percentage of Maori and Pacifica students have progressed.

That year group / cohort of students who at end of 2017 were below to reduce the percentage to reduce the percentage by end of 2018.

Year 2: 20% to 15%

Year 3: 39% to 20%

Year 5: 17% to 15%

And that equitable percentage of Maori and Pacifica students have progressed.

Planned actions for lifting student progress and achievement:

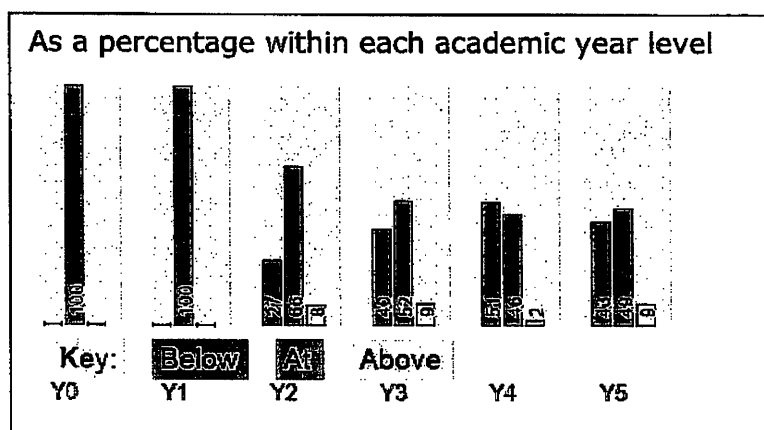
WHEN:	WHAT:	WHO:	INDICATORS of PROGRESS
Begins Term 1 Week 3	Teachers identify which students need priority support – targeted instruction to accelerate progress.	All Teachers Team Leaders	Targeted groups for each year group and each class developed.
Ongoing	Monthly monitoring in team meets to discuss progress of targets	Team leaders	Records keep in minutes of the through year what progress -problems
Ongoing	Term 1 Strategies developed Term 2/3/4. Review and assess the effectiveness	All teachers	List of strategies for Tcher and Students. Update strategies list – ideas working
Ongoing	Maths strategies integrated in classroom programmes Mathsathon – Whanau supporting student learning, raising profile of maths	Juniors Tchers	Students improvement in Knowledge and strategies of number.
Term 3		Whole school	Improvement in BF. Families supporting students learning
Term 4	Analysing year end data to inform progress plans for 2019	Principal / Sen Management	End year data to inform next steps 2019

Writing

Objective;

To have students achieving progress through progression levels of NZC and having 80% at or above age appropriate levels. All Students above 80% Maori + Pacifica above 80%

Baseline Data; 2017 End [Writing sample –eASSTLe exemplars moderated]



## End of Year Data and Outcomes

### Reading

To have students achieving progress through progression levels of NZC and having 80% at or above age appropriate levels. All Students above 80% Maori + Pacifica above 80%

	All student	Maori	Pacifika
2017	68%	59.4%	57.9%
2018	70%	63%	62%

That year groups / cohort of students who at end of 2017 were below to reduce the percentage by end of 2018.

Year 2: 74% to 20%	reduce to 14% from 74% include of 2 Special Needs students
Year 4: 14% to 10%	reduce to 14% from 11% include of 1 Special Needs students
Year 5: 22% to 20%	increased to 24% from 22% include of 1 Special Needs students

### Mathematics

To have students achieving progress through progression levels of NZC and having 80% at or above age appropriate levels. All Students above 80% Maori + Pacifica above 80%

	All student	Maori	Pacifika
2017	73.9%	65.6%	57.9%
2018	81%	72%	78%

That year group / cohort of students who at end of 2017 were below to reduce the percentage to reduce the percentage by end of 2018.

Year 2: 20% to 15%	Increase to 23% from 20% include of 2 Special Needs students
Year 3: 39% to 20%	reduce to 12% from 39% include of 1 Special Needs students
Year 5: 17% to 15%	reduce to 11% from 17% include of 1 Special Needs students

### Writing

To have students achieving progress through progression levels of NZC and having 80% at or above age appropriate levels. All Students above 80% Maori + Pacifica above 80%

	All student	Maori	Pacifika
2017	62%	51%	57%
2018	53%	52%	46%

That year group / cohort of students who at end of 2017 were below to reduce the percentage to reduce the percentage by end of 2018.

Year 2: 27% to 20%	Increase to 52% from 27% include of 2 Special Needs students
Year 4: 40% to 20%	Increase to 50% from 40% include of 1 Special Needs students
Year 5: 51% to 20%	Increase to 63% from 51% include of 1 Special Needs students
Year 6: 43% to 20%	Increase to 77% from 43% include of 2 Special Needs students