

Annual Report

Lumsden School
For the year ended 31 December 2018

School Directory

Ministry Number: 3980
Principal: Andrew Watson
School Address: 19 Maria Street, Lumsden
School Postal Code: 9730
School Phone: 03-248 7474
School Email: office@lumsden.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires
Michelle Mitchell	Chair person	Elected	April 2019
Andrew Watson	Principal ex officio	Principal	
Simon Saunders	Parent Rep	Elected	April 2019
Angela Sheat	Parent Rep	Elected	April 2019
Carrie Adams	Parent Rep	Elected	April 2019
Harley Ware	Parent Rep	Co-opted	Resigned Feb 2018
Amanda Russell	Parent Rep	Co-opted	April 2019
Simon Hunt	Parent Rep	Selected	Resigned Sep 2019
Chloe Madden	Staff Rep	Elected	April 2019

Accountant / Service Provider: School Support Ltd

Lumsden School

Annual Report - For the year ended 31 December 2018

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cashflows
6-10	Statement of Accounting Policies
11-20	Notes to the Financial Statements
	Other Information
	Kiwisport Statement
	Analysis of Variance

Statement of Responsibility

Lumsden School

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.

Michelle Mitchell

Andrew Watson

Full Name of Board Chairperson

Full Name of Principal

Signature of Board Chairperson

Signature of Principal

Date: _____

Date: _____

Statement of Comprehensive Revenue and Expense

Lumsden School

For the year ended 31 December 2018

	NOTES	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
Revenue				
Government Grants	1	978,728	395,492	875,546
Locally Raised Funds	2	34,524	34,000	34,461
Interest & Dividends Received		24,536	13,000	12,046
Total Revenue		1,037,788	442,492	922,053
Expenses				
Locally raised funds	2	23,873	23,050	30,029
Learning Resources	3	694,834	116,000	569,284
Administration	4	71,659	68,500	65,212
Property	5	228,472	221,513	238,720
Distribution to Pool Committee		-	2,826	31,730
Depreciation	6	20,583	14,000	21,434
Total Expenses		1,039,421	445,889	956,409
Net Surplus/(Deficit) for the year		(1,633)	(3,397)	(34,356)
Total Comprehensive Revenue and Expense for the Year		(1,633)	(3,397)	(34,356)

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

Statement of Changes in Net Assets/Equity

Lumsden School

For the year ended 31 December 2018

	2018	BUDGET 2018 (UNAUDITED)	2017
Equity			
Balance at 1 January	498,771	498,771	530,289
Total comprehensive revenue and expense for the year	(1,633)	(3,397)	(34,356)
Capital Contributions from the Ministry of Education	-	1,763	2,842
Prior period alignment adjustment	-	-	(4)
Equity at 31 December	497,137	497,137	498,771
Retained Earnings	497,137	497,137	498,771
Equity at 31 December	497,137	497,137	498,771

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

Statement of Financial Position

Lumsden School

As at 31 December 2018

	NOTES	2018	2018 BUDGET	2017
Current Assets				
Cash and Cash Equivalents	7	308,987	308,987	32,816
Accounts Receivable	8	31,267	31,267	30,567
Prepayments		-	-	1,510
Inventories	9	22	22	22
Investments (current)	10	434,245	434,245	410,310
Total Current Assets		774,521	774,521	475,225
Current Liabilities				
GST Payable		41,580	41,580	454
Accounts Payable	12	47,969	47,969	33,157
Provision for Cyclical Maintenance	13	3,306	3,306	4,667
Finance Lease Liability - Current Portion	14	2,443	2,443	4,603
Funds held for Capital Works Projects	15	234,409	234,409	5,588
Total Current Liabilities		329,708	329,708	48,469
Working Capital Surplus/(Deficit)		444,813	444,813	426,756
Non-Current Assets				
Property, Plant and Equipment	11	95,088	95,088	108,434
Total Non-Current Assets		95,088	95,088	108,434
Non-Current Liabilities				
Provision for Cyclical Maintenance	13	37,523	37,523	30,352
Finance Lease Liability	14	5,241	5,241	6,067
Total Non-Current Liabilities		42,764	42,764	36,419
Net Assets		497,137	497,137	498,771
Equity				
Equity		497,137	497,137	498,771
Total Equity		497,137	497,137	498,771

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

Statement of Cashflows

Lumsden School

For the year ended 31 December 2018

	NOTES	2018	2018 BUDGET (UNAUDITED)	2017
Statement of Cashflows				
Cashflows from Operating Activities				
Government Grants		232,688	209,000	221,767
Locally Raised Funds		77,479	46,388	34,461
Goods & Services Tax (net)		45,611	41,580	(6,448)
Payments to Employees		(148,346)	(121,404)	(111,057)
Payments to Suppliers		(150,459)	(188,530)	(164,834)
Cyclical Maintenance Payments in the year		-	-	(2)
Interest Paid		-	-	-
Interest & Dividends Received		24,536	13,000	12,140
Net Cash from / (to) Operating Activities		81,508	34	13,973
Cashflows from Investing Activities				
Purchase of PPE (and Intangibles)		(7,237)	13,346	(4,272)
Purchase of Investments		(23,935)	(543,333)	(176,312)
Net Cash from / (to) Investing Activities		(31,172)	(529,987)	(180,584)
Cashflows from Financing Activities				
Furniture and Equipment Grant		-	-	2,842
Finance Lease Payments		(2,986)	-	5,588
Funds Held for Capital Works Project		228,821	-	-
Net cash from Financing Activities		225,835	-	4,630
Net Increase/(decrease) in cash and cash equivalents		276,171	(529,953)	189,927
Cash and cash equivalents at the beginning of the year	7	32,816	32,816	222,742
Cash and cash equivalents at the end of the year	7	308,987	497,137	32,816

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.

Notes to the Financial Statements

Lumsden School

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 14.

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 1.

c) Revenue Recognition***Government Grants***

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives; Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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

j) Investments

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

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

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

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

k) Property, plant and equipment

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

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

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

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

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value

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

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

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

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

m) Accounts Payable

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

n) Employee Entitlements*Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

o) Provision for Cyclical Maintenance

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

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

p) Financial Assets and Liabilities

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

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

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

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.

Notes & Disclosures

Lumsden School

For the year ended 31 December 2018

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
1. Government Grants			
Operational grants	204,374	184,000	169,864
Teachers' Salary grants	562,496	-	468,618
Use of Land and Buildings grants	183,545	186,492	178,188
Resource teachers learning and behaviour grants	506	1,000	-
Other MOE grants	15,420	11,000	28,975
Transport grants	12,388	13,000	29,901
Total Government Grants	978,728	395,492	875,546

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
2. Locally Raised Funds			
Local funds raised within the School's community are made up of:			
Revenue			
Donations	19,115	15,000	22,256
Activities	3,819	10,000	2,845
Trading	992	1,000	1,103
Other revenue	10,598	8,000	8,258
Total Revenue	34,524	34,000	34,461
Expenses			
Activities	14,712	10,000	9,917
Trading	3,205	2,700	3,030
Other Expenses	5,956	10,350	17,082
Total Expenses	23,873	23,050	30,029
Surplus/ (Deficit) for the year Locally raised funds	10,651	10,950	4,433

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
3. Learning Resources			
Curricular	14,800	11,300	11,410
Information and communication technology	2,703	9,000	3,484
Library resources	-	1,500	368
Employee benefits - salaries	670,178	85,700	544,373
Staff development	7,154	8,500	9,650
Total Learning Resources	694,834	116,000	569,284

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
4. Administration			
Audit Fee	5,386	3,000	2,523
Board of Trustees Fees	2,910	4,500	2,945
Board of Trustees Expenses	1,234	1,500	2,092
Communication	2,853	2,500	2,727
Consumables	7,536	8,400	6,774
Operating Lease	8,843	6,300	5,115
Legal Fees	341	300	154
Other	5,470	6,700	9,105
Employee Benefits - Salaries	32,826	30,800	29,397
Insurance	-	200	119
Service Providers, Contractors & Consultancy	4,260	4,300	4,260
Total Administration	71,659	68,500	65,212

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
5. Property			
Caretaking and Cleaning Consumables	1,980	2,000	2,108
Cyclical Maintenance Expense	5,810	-	7,120
Grounds	1,875	1,800	1,498
Heat, Light and Water	10,916	11,000	16,541
Rates	3,460	3,300	3,299
Repairs and maintenance	7,283	9,200	17,088
Use of Land and Buildings	182,213	182,213	178,188
Employee Benefits - Salaries	14,934	12,000	12,876
Total Property	228,472	221,513	238,720

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.

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
6. Depreciation of Property, Plant & Equipment			
Buildings	4,945	3,363	1,630
Building Improvements	1,400	952	5,036
Furniture and Equipment	4,937	3,358	5,441
Information and Communication Technology	2,214	1,505	2,754
Leased Assets	4,806	3,268	4,053
Library Resources	2,281	1,554	2,520
Total Depreciation of Property, Plant & Equipment	20,583	14,000	21,434

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
7. Cash & Cash Equivalents			
Bank Current Account	49,617	49,617	10,292
Bank Call Account	259,370	259,370	22,523
Cash and cash equivalents for Cash Flow Statement	308,987	308,987	32,816

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

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
8. Accounts Receivable			
Accounts Receivable			
Interest Receivable	-	-	2,139
Teachers Salaries Grant Receivable	31,267	31,267	28,428
Total Accounts Receivable	31,267	31,267	30,567
Accounts Receivable			
Receivables from Exchange Transactions	-	-	2,139
Receivables from Non-Exchange Transactions	31,267	31,267	28,428
Total	31,267	31,267	30,567

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
9. Inventories			
Stationery	22	22	22

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
--	------	-------------------------------	-------------

10. Investments

The School's investment activities are classified as follows:

Non-current Asset	434,245	434,245	410,310
-------------------	---------	---------	---------

11. Property, Plant & Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings	52,650	-	-	-	-1,400	51,250
Building Improvements - Crown	9,208	-	-	-	-4,945	4,263
Furniture & Equipment	16,159	2,637	-	-	-4,937	13,859
Information and Communication	2,361	3989	-	-	-2,214	4,136
Leased Assets	10,417	-	-	-	-4,806	5,611
Library Resources	17,639	611	-	-	-2281	15,969
Total	108,434	7,237	-	-	-20,583	95,088

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings	74,650	-23,400	51,250
Building Improvements - Crown	95,060	-90,797	4,263
Furniture & Equipment	247,058	-233,199	13,859
Information and Communication	13271	-9,134	4,136
Leased Assets	14,470	-8,859	5,611
Library Resources	54,224	-38,256	15,967
Balance at 31 December 2018	498,733	-403,595	95,088

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Buildings	54,280				-1,630	52,650
Building Improvements - Crown	14,244		0	-	-5036	9,208
Furniture & Equipment	19,522	2078	0	-	-5,441	16,159
Information and Communication	3,993	1,122			-2,754	2,361
Leased Assets	-	14,470	-	-	-4,053	10,417
Library Resources	19,087	1,117	-105	-	-2,520	17,639
Total	111,126	18,847	-105	-	-21,434	108,434

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Buildings	74,650	-22,000	52,650
Building Improvements - Crown	95,060	-85,852	9,208
Furniture & Equipment	239,425	-223,266	16,159
Information and Communication	9,281	-6,920	2,361
Leased Assets	14,470	-4,053	10,417
Library Resources	53,614	-35,975	17,639
Balance at 31 December 2018	486,500	-378,066	108,434

2018 2018
BUDGET
(UNAUDITED) 2017 ACTUAL

12. Accounts Payable

Accounts Payable

Operating Creditors	6,409	6,409	1,768
Accruals	3,197	3,197	2,960
Employee Entitlements - salaries	38,363	38,363	28,428
Total Accounts Payable	47,969	47,969	33,157

Accounts Payable

Payables for Exchange Transactions	47,969	47,969	33,157
Total	47,969	47,969	33,157

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
13. Provision for Cyclical Maintenance			
Provision at Start of the Year	35,019	35,019	27,901
Increase/ (decrease) to Provision During the Year	5,810	5,810	7,120
Use of the Provision During the year	-	-	(2)
Provision at the End of the Year	40,829	40,829	35,019
Total Provision			
Cyclical Maintenance - Current	3,306	3,306	4,667
Cyclical Maintenance - Term	37,523	37,523	30,352
Total	40,829	40,829	35,019

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
14. Finance Lease Liability			
The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:			
No Later than One Year	2,443	2,443	4,603
Later than One Year and no Later than Five Years	5,241	5,241	6,067
Total	7,683	7,683	10,670

15. Funds held for Capital Works Projects

2018		Opening Balances	Receipts from MOE	Payments	BOT Contributions	Closing Balance
		\$	\$	\$	\$	\$
Boiler Replacement	In progress	5,588	337,395	(108,574)	0	234,409
Total		5,587	337,395	(108,574)	0	234,409

	2017	Opening Balances	Receipts from MOE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$	\$	\$
Boiler Replacement	in progress	-	13,341	7,753	-	5,588.00
Totals		-	13,341	7,753	0	5,588.00

16. 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.

As disclosed in Note 7 to the financial statement, cash transfers from the School to the Northern Southland Community Pool Trust amounted to \$31,730 (2016:\$2,826). The Board of Trustees ratified the decision to transfer the funds to the Trust. The School's Principal, Andrew Watson is a Trustee of the Northern Southland Community Pool Trust and is a member of the School's Board of Trustees.

17. Distribution to pool committee

For several years funds have been received by the school for the maintenance of the local community pool. These funds have been set aside until needed by the Northern Southland Community Pool Trust, with \$0 (2017: \$31,730) being paid to the Trust to allow maintenance tasks to be undertaken. These payments were not approved by the Ministry of Education. The Ministry deems it was not appropriate for the school to forward their maintenance funding to the Trust.

18. Remuneration

Key management personnel compensation

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

					2018	2017
					Actual	Actual
					\$	\$
Board Members						
Remuneration					3,410	2,945
Full-time equivalent members					0.1	0.1
Leadership Team						
Remuneration					213,422	212,826
Full-time equivalent members					2	2
Total key management personnel remuneration					216,832	215,771
Total full-time equivalent personnel					2.10	2.10
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	2017
					Actual	Actual
Salaries and Other Short-term Employee Benefits:					\$000	\$000
Salary and Other Payments					120 - 130	120 - 130
Benefits and Other Emoluments					-	-
Termination Benefits					-	-

Other Employees						
The number of other employees with remuneration greater than \$100,000 was in the following bands:						
				Remuneration	2018	2017
				\$000	FTE Number	FTE Number
				-	-	-
The disclosure for 'Other Employees' does not include remuneration of the Principal.						

19. Compensation and Other Benefits Upon Leaving

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

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

20. Contingencies

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

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited. The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed. To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

21. Commitments

a) Capital Commitments

As at 2018 the Board has entered into nil contract agreements for capital works.

b) Operating Commitments

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

- Photocopier

					2018	2017
					Actual	Actual
					\$	\$
No later than One Year					4,368	4,368
Later than One Year and No Later than Five Years					2,548	2,548
					6,916	6,916

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
Cash and receivables			
Cash and Cash Equivalents	308,987	308,987	32,816
Receivables	31,267	31,267	30,567
Investments - Term Deposits	434,245	434,245	410,310
Total Cash and receivables	774,500	774,500	473,693

	2018	2018 BUDGET (UNAUDITED)	2017 ACTUAL
Financial liabilities measured at amortised cost			
Payables	47,969	47,969	33,157
Finance Leases	7,683	7,683	10,670
Total Financial Liabilities Measured at Amortised Cost	55,653	55,653	43,827

22. Events after Balance Date

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

23. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.

24. Breach of Law - Failure to meet Statutory Reporting Deadline

The Board of Trustees did not comply with section 87A (1) of the Education Act in that it did not submit its financial statements for audit by 31 st March 2019.

25. Breach of Law - Failure to meet Statutory Reporting Deadline

The Board of Trustees are required Under Section 87C1 of the Education Act 1989 to forward audited financial statements to the Ministry of Education by 31 May 2019. This deadline was not met.

Kiwisport Statement

Lumsden School

For the year ended 31 December 2018

Students Participated in organised sport. In 2018 the school received Kiwisport funding of \$1,176. The funding was spent on Sports Southland sessions, Sports equipment, Tournament entry fees, Swimming tuition (whole school Swim Safe programme).