

# OTAGO GIRLS' HIGH SCHOOL

## ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

### School Directory

**Ministry Number:** 378

**Principal:** Linda Miller

**School Address:** 41 Tennyson Street, Central City, Dunedin

**School Postal Address:** 41 Tennyson Street, Central City, Dunedin

**School Phone:** 03 474 0496

**School Email:** admin@otagogirls.school.nz

### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>
Peter Hogan	Chair Person	Re-Elected May 2016
Linda Miller	Principal	ex Officio
Rowena Monson	Parent Rep	Co-opted May 2016
Nicki Paterson	Parent Rep	Re-Elected May 2016
David Smillie	Parent Rep	Re-Elected May 2016
Lynn Hurring	Parent Rep	Re-Elected May 2016
Jacqui McFadgen	Parent Rep	Elected May 2016
Erolia Rooney	Parent Rep	Elected May 2016
Simon Pickard	Staff Rep	Elected May 2016
Sabrina Swerdloff	Student Rep	Elected November 2017

**Accountant / Service Provider:** Solutions & Services Ltd

# OTAGO GIRLS' HIGH SCHOOL

Annual Report - For the year ended 31 December 2018

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# Otago Girls' High 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.

Peter Michael Hogan  
Full Name of Board Chairperson

[Signature]  
Signature of Board Chairperson

30 May 2019  
Date:

Linda Jean Miller  
Full Name of Principal

[Signature]  
Signature of Principal

30/5/19  
Date:

# Otago Girls High School

## Members of the Board of Trustees

For the year ended 31 December 2018

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Held Until</b>
Peter Hogan	Chairperson	Elected	Mar 2019
Linda Miller	Principal		
Rowena Monson	Parent Rep	Co-opted	Mar 2019
Nicki Paterson	Parent Rep	Elected	Mar 2019
David Smillie	Parent Rep	Elected	Mar 2019
Lynn Hurring	Parent Rep	Elected	Mar 2019
Jacqui McFadgen	Parent Rep	Elected	Mar 2019
Erolia Rooney	Parent Rep	Elected	Mar 2019
Simon Pickard	Staff Rep	Elected	Mar 2019
Sabrina Swerdloff	Student Rep	Elected	Dec 2018



# Otago Girls High 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	7,130,973	6,986,648	6,809,358
Locally Raised Funds	3	1,043,182	391,000	932,840
Interest Earned		119,378	135,000	117,900
Gain on Sale of Property, Plant and Equipment		-	-	5,803
International Students	4	691,587	694,000	685,311
		<u>8,985,120</u>	<u>8,206,648</u>	<u>8,551,212</u>
<b>Expenses</b>				
Locally Raised Funds	3	774,859	221,000	684,740
International Students	4	246,693	195,000	294,212
Learning Resources	5	5,728,635	5,735,828	5,453,375
Administration	6	482,072	502,495	493,186
Finance Costs		5,649	-	2,727
Property	7	1,559,629	1,409,668	1,444,791
Depreciation	8	133,039	125,000	125,328
Loss on Disposal of Property, Plant and Equipment		21,459	-	-
		<u>8,952,035</u>	<u>8,188,991</u>	<u>8,498,359</u>
<b>Net Surplus / (Deficit)</b>		33,085	17,657	52,853
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>33,085</u>	<u>17,657</u>	<u>52,853</u>

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



## Otago Girls High School Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
<b>Balance at 1 January</b>	<u>3,367,107</u>	<u>3,367,107</u>	<u>3,314,254</u>
Total comprehensive revenue and expense for the year	33,085	17,657	52,853
<b>Equity at 31 December</b>	<u>3,400,192</u>	<u>3,384,764</u>	<u>3,367,107</u>
Retained Earnings	3,400,192	3,384,764	3,367,107
<b>Equity at 31 December</b>	<u>3,400,192</u>	<u>3,384,764</u>	<u>3,367,107</u>

### Reserved Equity

Reserved equity comprises funds that have been received by the School for a specific purpose. The School guarantees to hold sufficient monies to enable the funds to be used for their intended purpose at any time. Those funds arose from bequests from ex-girls and ex-principals. These funds are held for use on outdoor activities, library, prize giving and school disadvantaged as required by terms of the bequests. The school is not required to repay these funds.

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
<b>Reserves</b>			
Opening Balances	475,962	475,962	455,290
Movement for the year	2,809	-	20,672
Closing Balance	<u>478,771</u>	<u>475,962</u>	<u>475,962</u>

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



# Otago Girls High 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	9	245,951	493,589	350,932
Accounts Receivable	10	448,345	371,259	371,259
Prepayments		32,567	6,389	6,389
Inventories	11	52,022	16,398	16,398
Investments	12	2,989,280	3,253,037	3,253,037
Funds owing for Capital Works Projects	19	63,362	24,619	24,619
		<u>3,831,527</u>	<u>4,165,291</u>	<u>4,022,634</u>
<b>Current Liabilities</b>				
GST Payable		20,130	38,290	38,290
Accounts Payable	14	416,998	418,153	418,153
Revenue Received in Advance	15	955,549	1,079,940	1,079,940
Provision for Cyclical Maintenance	16	9,334	43,294	43,294
Finance Lease Liability - Current Portion	17	24,395	19,551	19,551
Funds held in Trust	18	118,547	223,111	223,111
Funds held for Capital Works Projects	19	76,167	62,307	62,307
Funds Held on Behalf of Asian Language Cluster	20	2,536	3,062	3,062
		<u>1,623,656</u>	<u>1,887,708</u>	<u>1,887,708</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>2,207,871</b>	<b>2,277,583</b>	<b>2,134,926</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	1,464,860	1,285,585	1,410,585
		<u>1,464,860</u>	<u>1,285,585</u>	<u>1,410,585</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	241,229	175,798	175,798
Finance Lease Liability	17	31,310	2,606	2,606
		<u>272,539</u>	<u>178,404</u>	<u>178,404</u>
<b>Net Assets</b>		<b><u>3,400,192</u></b>	<b><u>3,384,764</u></b>	<b><u>3,367,107</u></b>
<b>Equity</b>		<b><u>3,400,192</u></b>	<b><u>3,384,764</u></b>	<b><u>3,367,107</u></b>

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



# Otago Girls High School Statement of Cash Flows

For the year ended 31 December 2018

	2018	2018	2017
Note	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
<b>Cash flows from Operating Activities</b>			
Government Grants	1,568,144	1,555,080	1,552,709
Locally Raised Funds	990,568	391,000	847,505
International Students	567,196	694,000	865,500
Goods and Services Tax (net)	(18,160)	-	6,545
Payments to Employees	(1,371,338)	(1,309,175)	(1,201,354)
Payments to Suppliers	(1,872,585)	(1,281,248)	(1,809,791)
Cyclical Maintenance Payments in the Year	(34,053)	(42,000)	(47,781)
Interest Received	112,339	135,000	114,808
Net cash from / (to) the Operating Activities	<u>(57,889)</u>	<u>142,657</u>	<u>328,141</u>
<b>Cash flows from Investing Activities</b>			
Purchase of PPE (and Intangibles)	(180,159)	-	(157,598)
Purchase of Investments	(16,415)	-	(1,859,840)
Proceeds from Sale of Investments	280,172	-	-
Net cash from / (to) the Investing Activities	<u>83,598</u>	<u>-</u>	<u>(2,017,438)</u>
<b>Cash flows from Financing Activities</b>			
Finance Lease Payments	(715)	-	(20,542)
Funds Held for Capital Works Projects	(24,885)	-	(36,878)
Funds Administered on Behalf of Third Parties	(105,090)	-	130,390
Net cash from Financing Activities	<u>(130,690)</u>	<u>-</u>	<u>72,970</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>(104,981)</u>	<u>142,657</u>	<u>(1,616,327)</u>
Cash and cash equivalents at the beginning of the year	9 350,932	350,932	1,967,259
<b>Cash and cash equivalents at the end of the year</b>	9 <u>245,951</u>	<u>493,589</u>	<u>350,932</u>

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.





# Otago Girls High School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2018

#### 1.1. Reporting Entity

Otago Girls High 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.

#### 1.2. 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 13.

##### *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 17.

#### *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.

### **1.3. 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.

### **1.4. 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.

### **1.5. 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.

### **1.6. 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.

### **1.7. 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.





### **1.8. 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.

### **1.9. 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.

### **1.10. 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.

### **1.11. 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
Motor vehicles	5 years
Textbooks	3 years
Leased Assets	3–4 years
Library resources	12.5% Diminishing value

### **1.12. 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.

### **1.13. 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.

### **1.14. Employment Entitlements**

#### *Short-term employee entitlements*

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

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

#### *Long-term employee entitlements*

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

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



#### **1.15. Revenue Received in Advance**

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

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

#### **1.16. 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.

#### **1.17. 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).

#### **1.18. 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.

#### **1.19. 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.

#### **1.20. Budget Figures**

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

#### **1.21. Services received in-kind**

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.



## 2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	1,462,360	1,515,640	1,475,456
Teachers' salaries grants	4,497,376	4,500,000	4,334,787
Use of Land and Buildings grants	1,065,455	931,568	921,862
Other MoE Grants	70,351	6,000	40,773
Other government grants	35,431	33,440	36,480
	<u>7,130,973</u>	<u>6,986,648</u>	<u>6,809,358</u>

## 3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>			
Donations	139,668	56,000	121,759
Other revenue	138,446	85,000	103,935
Trading	191,743	192,000	164,903
Activities	573,325	58,000	542,243
	<u>1,043,182</u>	<u>391,000</u>	<u>932,840</u>
<b>Expenses</b>			
Activities	550,008	23,500	471,108
Trading	185,238	170,000	157,069
Other Expenses	39,613	27,500	56,563
	<u>774,859</u>	<u>221,000</u>	<u>684,740</u>
<i>Surplus for the year Locally raised funds</i>	<u>268,323</u>	<u>170,000</u>	<u>248,100</u>

During the year 37 students went to Japan, France and Germany on immersion experience trips. These trips were fully funded by the students via contributions and fundraising efforts undertaken by the students.

## 4. International Student Revenue and Expenses

	2018 Actual Number	2018 Budget (Unaudited) Number	2017 Actual Number
International Student Roll	52	48	45
	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>			
International student fees	691,587	694,000	685,311
<b>Expenses</b>			
Commissions	69,666	55,000	125,847
Recruitment	45,210	45,000	44,413
International student levy	11,115	13,000	18,452
Employee Benefit - Salaries	63,659	65,000	59,864
Other Expenses	57,043	17,000	45,636
	<u>246,693</u>	<u>195,000</u>	<u>294,212</u>
<i>Surplus for the year International Students</i>	<u>444,894</u>	<u>499,000</u>	<u>391,099</u>

During the year International Marketing staff undertook 7 trips to Asia and Europe. These trips were fully funded from international student fees.

## 5. Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	288,368	328,803	301,109
Equipment repairs	25,146	28,000	28,346
Information and communication technology	43,625	51,100	40,075
Extra-curricular activities	20,950	21,750	29,835
Library resources	5,805	4,000	4,431
Employee benefits - salaries	5,283,288	5,236,175	4,989,400
Staff development	61,453	66,000	60,179
	<u>5,728,635</u>	<u>5,735,828</u>	<u>5,453,375</u>

During the year 4 staff travelled internationally for professional development. All travel was funded by the Board of Trustees.

## 6. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,512	5,670	5,309
Board of Trustees Fees	7,065	10,000	7,275
Board of Trustees Expenses	37,107	41,200	40,166
Communication	23,747	21,000	28,644
Consumables	4,592	5,000	4,941
Operating Lease	27,584	45,225	40,843
Other	52,604	49,400	57,359
Employee Benefits - Salaries	299,615	305,000	301,865
Insurance	24,246	20,000	6,784
	<u>482,072</u>	<u>502,495</u>	<u>493,186</u>

## 7. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	26,518	25,000	31,740
Cyclical Maintenance Provision	38,649	42,000	38,433
Adjustment to the Provision	26,875	-	76,197
Grounds	8,332	8,000	6,481
Heat, Light and Water	98,777	99,100	97,350
Rates	38,619	36,000	35,234
Repairs and Maintenance	36,188	60,000	32,557
Use of Land and Buildings	1,065,455	931,568	921,862
Security	3,691	5,000	4,789
Employee Benefits - Salaries	216,525	203,000	200,148
	<u>1,559,629</u>	<u>1,409,668</u>	<u>1,444,791</u>

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.



## 8. Depreciation of Property, Plant and Equipment

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	17,703	18,000	17,408
Building Improvements	8,446	9,000	8,509
Furniture and Equipment	49,371	25,000	25,417
Information and Communication Technology	10,482	35,000	35,345
Motor Vehicles	20,362	14,000	14,843
Leased Assets	19,783	19,000	18,029
Library Resources	6,892	5,000	5,777
	<u>133,039</u>	<u>125,000</u>	<u>125,328</u>

## 9. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	295	300	300
Bank Current Account	28,914	293,289	121,141
Bank Call Account	216,742	200,000	229,491
Cash equivalents and bank overdraft for Cash Flow Statement	<u>245,951</u>	<u>493,589</u>	<u>350,932</u>

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

Of the \$245,951 Cash and Cash Equivalents, \$76,167 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.

Of the \$245,951 Cash and Cash Equivalents, \$2,536 is held by the School on behalf of the Asian Language cluster. See note 20 for details of how the funding received for the cluster has been spent in the year.

Of the \$245,951 Cash and Cash Equivalents, \$118,547 are funds held in trust.

## 10. Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	126,237	73,623	73,623
Interest Receivable	28,702	21,663	21,663
Teacher Salaries Grant Receivable	293,406	275,973	275,973
	<u>448,345</u>	<u>371,259</u>	<u>371,259</u>
Receivables from Exchange Transactions	154,939	95,286	95,286
Receivables from Non-Exchange Transactions	293,406	275,973	275,973
	<u>448,345</u>	<u>371,259</u>	<u>371,259</u>





### 11. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Canteen	52,022	16,398	16,398
	<u>52,022</u>	<u>16,398</u>	<u>16,398</u>

### 12. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	2,989,280	3,253,037	3,253,037

### 13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2018</b>						
Buildings	612,921	40,000	-	-	(17,703)	635,218
Building Improvements	317,153	-	-	-	(8,446)	308,707
Furniture and Equipment	305,223	55,477	-	-	(49,371)	311,329
Information and Communication	43,986	4,910	-	-	(10,482)	38,414
Motor Vehicles	71,264	22,671	-	-	(20,362)	73,573
Leased Assets	21,019	68,004	(13,156)	-	(19,783)	56,084
Library Resources	39,019	17,737	(8,329)	-	(6,892)	41,535
<b>Balance at 31 December 2018</b>	<u>1,410,585</u>	<u>208,799</u>	<u>(21,485)</u>	<u>-</u>	<u>(133,039)</u>	<u>1,464,860</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
<b>2018</b>			
Buildings	910,420	(275,202)	635,218
Building Improvements	425,589	(116,882)	308,707
Furniture and Equipment	1,739,331	(1,428,002)	311,329
Information and Communication	606,877	(568,463)	38,414
Motor Vehicles	160,525	(86,952)	73,573
Leased Assets	83,355	(27,271)	56,084
Library Resources	93,227	(51,692)	41,535
<b>Balance at 31 December 2018</b>	<u>4,019,324</u>	<u>(2,554,464)</u>	<u>1,464,860</u>

The net carrying value of equipment held under a finance lease is \$56,084 (2017: \$21,019)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Buildings	630,329	-	-	-	(17,408)	612,921
Building Improvements	325,662	-	-	-	(8,509)	317,153
Furniture and Equipment	276,729	53,911	-	-	(25,417)	305,223
Information and Communication	45,570	33,761	-	-	(35,345)	43,986
Motor Vehicles	25,753	60,354	-	-	(14,843)	71,264
Leased Assets	37,687	1,361	-	-	(18,029)	21,019
Library Resources	29,421	16,109	(734)	-	(5,777)	39,019
<b>Balance at 31 December 2017</b>	<b>1,371,151</b>	<b>165,496</b>	<b>(734)</b>	<b>-</b>	<b>(125,328)</b>	<b>1,410,585</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Buildings	870,420	(257,499)	612,921
Building Improvements	425,589	(108,436)	317,153
Furniture and Equipment	1,686,016	(1,380,793)	305,223
Information and Communication	591,021	(547,035)	43,986
Motor Vehicles	137,854	(66,590)	71,264
Leased Assets	54,741	(33,722)	21,019
Library Resources	96,098	(57,079)	39,019
<b>Balance at 31 December 2017</b>	<b>3,861,739</b>	<b>(2,451,154)</b>	<b>1,410,585</b>

#### 14. Accounts Payable

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
Operating creditors	93,963	76,728	76,728
Accruals	(3,867)	26,329	26,329
Employee Entitlements - salaries	300,216	287,156	287,156
Employee Entitlements - leave accrual	26,686	27,940	27,940
	<b>416,998</b>	<b>418,153</b>	<b>418,153</b>
Payables for Exchange Transactions	416,998	418,153	418,153
	<b>416,998</b>	<b>418,153</b>	<b>418,153</b>

The carrying value of payables approximates their fair value.

#### 15. Revenue Received in Advance

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
International Student Fees	926,647	1,079,940	1,079,940
Hostel Fees	28,902	-	-
	<b>955,549</b>	<b>1,079,940</b>	<b>1,079,940</b>

#### 16. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	219,092	219,092	152,243
Increase to the Provision During the Year	38,649	-	38,433
Adjustment to the Provision	26,875	-	76,197
Use of the Provision During the Year	(34,053)	-	(47,781)
Provision at the End of the Year	<u>250,563</u>	<u>219,092</u>	<u>219,092</u>
Cyclical Maintenance - Current	9,334	43,294	43,294
Cyclical Maintenance - Term	241,229	175,798	175,798
	<u>250,563</u>	<u>219,092</u>	<u>219,092</u>

#### 17. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers. Minimum lease payments payable:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	28,782	20,807	20,807
Later than One Year and no Later than Five Years	33,600	2,727	2,727
Later than Five Years	-	-	-
	<u>62,382</u>	<u>23,534</u>	<u>23,534</u>

#### 18. Funds Held in Trust

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	118,547	223,111	223,111
	<u>118,547</u>	<u>223,111</u>	<u>223,111</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

### 19. Funds Held for Capital Works

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

		2018	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
			\$	\$	\$		\$
Capital Works- Music Suite	Completed		49,898	-	49,898	-	-
Capital Works - LED Lighting	In progress		(10,285)	-	43,179	-	(53,464)
Dalrymple Block Roofing Project	In progress		9,258	-	-	-	9,258
Capital Works - Roofing Project	Completed		258	-	258	-	-
Capital Works - WASNUP	Completed		(7,889)	7,889	-	-	-
Gym Flood	Completed		2,869	-	2,869	-	-
Boiler Project	In progress		(6,445)	7,245	10,698	-	(9,898)
ICT Room Laptop Fire	Completed		24	-	24	-	-
Hall Weatherproofing	In progress		-	2,672	-	-	2,672
Dalrymple Floor covering	In progress		-	2,627	-	-	2,627
Staff/Careers/Admin Upgrade	In progress		-	80,000	18,390	-	61,610
<b>Totals</b>			<b>37,688</b>	<b>100,433</b>	<b>125,316</b>	<b>-</b>	<b>12,805</b>

#### Represented by:

Funds Held on Behalf of the Ministry of Education	76,167
Funds Due from the Ministry of Education	63,362
	<u>12,805</u>

		2017	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
			\$	\$	\$		\$
Capital Works- Music Suite	In progress		(1,618)	51,516	-	-	49,898
Capital Works - LED Lighting	In progress		(20,402)	25,154	15,037	-	(10,285)
Dalrymple Block Roofing Project	In progress		106,314	-	97,056	-	9,258
Capital Works - Roofing Project	In progress		(3,526)	3,784	-	-	258
Capital Works - WASNUP	In progress		(6,202)	-	1,687	-	(7,889)
Gym Flood	In progress		-	8,829	5,960	-	2,869
Capital Works Project	In progress		-	-	6,445	-	(6,445)
ICT Room Laptop Fire	In progress		-	3,829	3,805	-	24
<b>Totals</b>			<b>74,566</b>	<b>93,112</b>	<b>129,990</b>	<b>-</b>	<b>37,688</b>

### 20. Funds Held on Behalf of Asian Language Cluster

Otago Girls High School is the lead school and holds funds on behalf of the Asian Language cluster.

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	3,062	3,062	-
Funds Received from Cluster Members	33,114	-	-
Funds Received from MoE	-	-	36,474
Funds Spent on Behalf of the Cluster	(33,640)	-	(33,412)
<b>Funds Held at Year End</b>	<b>2,536</b>	<b>3,062</b>	<b>3,062</b>

## 21. 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.

## 22. 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	7,065	7,275
Full-time equivalent members	0.46	0.46
<i>Leadership Team</i>		
Remuneration	400,711	373,803
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	407,776	381,078
Total full-time equivalent personnel	4.46	4.46

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 \$	2017 Actual \$
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	170 - 180	160 - 170
Benefits and Other Emoluments	0 - 10	10 - 20
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 \$	2018 FTE Number	2017 FTE Number
110 - 120	-	-
100 - 110	1.00	1.00
	1.00	1.00

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



### 23. Contingencies

There are no contingent liabilities (except as noted 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.

### 24. Commitments

#### (a) Capital Commitments

As at 31 December 2018 the Board has not entered into any contract agreements for capital works.

(Capital commitments at 31 December 2017: nil)

#### (b) Operating Commitments

As at 31 December 2018 the Board has not entered into any operating contracts:

(a) operating lease of a photocopier;

	2018 Actual \$	2017 Actual \$
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>-</u>	<u>-</u>

### 25. 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.





## 26. Financial Instruments

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

### Loans and Receivables

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	245,951	493,589	350,932
Receivables	448,345	371,259	371,259
Investments - Term Deposits	2,989,280	3,253,037	3,253,037
Total Loans and Receivables	<u>3,683,576</u>	<u>4,117,885</u>	<u>3,975,227</u>

### Financial liabilities measured at amortised cost

Payables	416,998	418,153	418,153
Finance Leases	55,705	22,157	22,157
Total Financial Liabilities Measured at Amortised Cost	<u>472,703</u>	<u>440,310</u>	<u>440,310</u>

## 27. Events After Balance Date

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

