

BULLER HIGH SCHOOL



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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BULLER HIGH SCHOOL

Financial Statements - For the year ended 31 December 2016

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Buller High School

Statement of Responsibility

For the year ended 31 December 2016

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 2016 fairly reflects the financial position and operations of the school.

The School's 2016 financial statements are authorised for issue by the Board.

Eamon Ginley

Full Name of Board Chairperson

[Signature]

Signature of Board Chairperson

5/5/17.

Date

ANDREW BAKER

Full Name of Principal

[Signature]

Signature of Principal

5/5/2017

Date

Buller High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue				
Government Grants	2	4,604,642	4,616,433	4,746,294
Locally Raised Funds	3	285,548	169,121	241,059
Interest Earned		59,305	56,000	72,701
		4,949,495	4,841,554	5,060,054
Expenses				
Locally Raised Funds	3	99,012	10,851	98,764
Learning Resources	4	3,176,316	3,310,527	3,246,659
Administration	5	311,150	310,325	307,041
Finance Costs		1,284	1,193	1,193
Property	6	1,076,001	1,229,102	1,201,858
Depreciation	7	87,991	96,000	83,342
Loss on Disposal of Property, Plant and Equipment		2,058	-	2,142
		4,753,811	4,957,998	4,940,997
Net Surplus / (Deficit)		195,684	(116,444)	119,057
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		195,684	(116,444)	119,057

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

Buller High School**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2016

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Balance at 1 January	1,792,049	1,792,049	1,672,993
Total comprehensive revenue and expense for the year	195,684	(116,444)	119,057
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	27,596	-	-
Equity at 31 December	2,015,329	1,675,605	1,792,049
Retained Earnings	2,015,329	1,675,605	1,792,049
Equity at 31 December	2,015,329	1,675,605	1,792,049

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

Buller High School

Statement of Financial Position

As at 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Current Assets				
Cash and Cash Equivalents	8	788,336	840,847	861,291
Accounts Receivable	9	163,417	258,266	258,266
GST Receivable		32,066	44,904	44,904
Prepayments		19,249	18,864	18,864
Inventories	10	3,977	3,434	3,434
Investments	11	820,410	920,527	920,527
		1,827,455	2,086,841	2,107,285
Current Liabilities				
Accounts Payable	13	199,598	314,490	314,490
Revenue Received in Advance	14	34,739	21,403	21,403
Provision for Cyclical Maintenance	15	36,000	57,210	57,210
Finance Lease Liability - Current Portion	16	5,976	8,256	8,256
Funds Held in Trust	17	36,466	18,824	18,824
Funds Held for Capital Works Projects	18	-	292,981	292,981
		312,779	713,163	713,163
Working Capital Surplus/(Deficit)		1,514,675	1,373,678	1,394,122
Non-current Assets				
Property, Plant and Equipment	12	641,768	490,227	586,227
		641,768	490,227	586,227
Non-current Liabilities				
Provision for Cyclical Maintenance	15	134,457	186,944	186,944
Finance Lease Liability	16	6,657	1,357	1,357
		141,114	188,300	188,300
Net Assets		2,015,329	1,675,605	1,792,049
Equity		2,015,329	1,675,605	1,792,049

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

Buller High School

Statement of Cash Flows

For the year ended 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Cash flows from Operating Activities				
Government Grants				
Locally Raised Funds		1,326,408	1,285,448	1,408,932
Goods and Services Tax (net)		308,945	169,121	248,077
Payments to Employees		12,838	-	(31,027)
Payments to Suppliers		(596,494)	(667,835)	(611,131)
Interest Paid		(899,240)	(75,984)	(907,438)
Interest Received		-	(1,193)	(1,193)
		66,066	56,000	66,691
Net cash from/(to) the Operating Activities		218,523	765,557	172,911
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		4,812	-	(54,952)
Purchase of PPE (and Intangibles)		(137,170)	(214,657)	-
Purchase of Investments		-	-	(179,105)
Proceeds from Sale of Investments		671,461	-	-
Net cash from/(to) the Investing Activities		539,103	(214,657)	(234,057)
Cash flows from Financing Activities				
Furniture and Equipment Grant		27,596	-	-
Finance Lease Payments		(11,494)	-	(7,741)
Funds Administered on Behalf of Third Parties		(275,338)	-	285,754
Net cash from/(to) the Financing Activities		(259,236)	-	278,013
Net increase/(decrease) in cash and cash equivalents		498,389	550,900	216,867
Cash and cash equivalents at the beginning of the year	8	289,947	289,947	73,080
Cash and cash equivalents at the end of the year	8	788,336	840,847	289,947

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.

1. Statement of Accounting Policies

For the year ended 31 December 2016

Statement of Accounting Policies

1.1 Reporting Entity

Buller 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 2016 to 31 December 2016 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates and Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 16.

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 are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance.

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 bank term deposits are measured at amortised cost using the effective interest method less impairment.

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 section 73 of the Education Act 1989 in relation to the acquisition of 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 \$1000 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:

Land	100 years
Building Improvements	10-75 years
Furniture and Equipment	3-10 years
Information and Communication Technology	3-5 years
Motor Vehicles	5 years
Textbooks	3 years
Leased Assets	3 years
Library Resources	10 % Diminishing value
Artwork	100 years

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 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.

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 students, grants in advance 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. 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, 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

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Operational grants	856,088	890,484	877,268
Teachers' salaries grants	2,459,763	2,467,273	2,467,273
Use of Land and Buildings Grants	818,471	863,712	863,712
Other MoE Grants	407,272	334,387	472,951
Other government grants	63,047	60,577	65,089
	4,604,642	4,616,433	4,746,294

3 Locally Raised Funds

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

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Revenue			
Donations	91,183	70,650	20,613
Other revenue	63,786	47,328	72,782
Trading	4,523	3,000	9,569
Activities	84,709	3,975	86,574
Curriculum Recoveries	41,347	44,168	51,520
	285,548	169,121	241,059
Expenses			
Activities	96,162	10,001	91,254
Trading	563	-	6,087
Other Locally Raised Funds Expenditure	2,287	850	1,422
	99,012	10,851	98,764
Surplus for the year Locally Raised Funds	186,536	158,270	142,295

Buller High School wishes to acknowledge a gift of \$26,267 from the Awatere Multi Cultural Society in 2012. These funds were a one-off grant to ensure continuity of support for Maori Culture with the school. The balance available as at 31 December 2016 remains at \$26,267 while an effective and relevant plan is developed.

4 Learning Resources

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Curricular	267,865	327,359	273,662
Equipment repairs	23,582	7,500	11,036
Information and communication technology	21,943	16,895	37,359
Library resources	1,481	1,750	1,884
Employee benefits - salaries	2,820,171	2,914,073	2,872,294
Staff development	41,274	42,950	50,424
	3,176,316	3,310,527	3,246,659

5 Administration

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Audit Fee	5,449	5,449	5,467
Board of Trustees Fees	3,515	3,445	3,240
Board of Trustees Expenses	25,448	27,216	23,954
Communication	14,069	16,541	14,041
Consumables	40,011	42,384	40,936
Operating Lease	950	951	950
Legal Fees	204	-	9,212
Other	9,715	5,187	7,472
Employee Benefits - Salaries	189,431	186,621	179,783
Insurance	9,557	9,731	8,935
Service Providers, Contractors and Consultancy	12,800	12,800	13,050
	311,150	310,325	307,041

6 Property

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	9,464	13,700	7,180
Consultancy and Contract Services	123,762	125,875	121,019
Cyclical Maintenance Provision	52,357	45,782	45,782
Adjustment to the Provision	(110,234)	-	-
Grounds	7,453	7,500	7,890
Heat, Light and Water	40,473	66,200	61,186
Rates	8,672	11,785	8,466
Repairs and Maintenance	80,220	52,134	41,332
Use of Land and Buildings	818,471	863,712	863,712
Security	9,877	8,000	11,716
Employee Benefits - Salaries	35,485	34,414	33,574
	1,076,001	1,229,102	1,201,858

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7 Depreciation of Property, Plant and Equipment

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Building Improvements - Crown	7,561	10,000	7,561
Furniture and Equipment	39,530	40,000	38,723
Information and Communication Technology	29,306	32,000	27,891
Motor Vehicles	6,870	10,000	6,870
Leased Assets	2,205	2,000	-
Library Resources	2,519	2,000	2,297
	87,991	96,000	83,342

8 Cash and Cash Equivalents

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
Cash on Hand	\$ 200	\$ 200	\$ 200
Bank Current Account	155,184	43,677	64,122
Bank Call Account	39,361	225,625	225,625
Short-term Bank Deposits	593,591	571,345	571,345
	<u>788,336</u>	<u>840,847</u>	<u>861,291</u>

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

9 Accounts Receivable

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
Receivables	\$ 2,721	\$ 15,301	\$ 12,781
Interest Receivable	8,156	14,917	14,917
Teacher Salaries Grant Receivable	152,540	228,047	230,567
	<u>163,417</u>	<u>258,265</u>	<u>258,266</u>
Receivables from Exchange Transactions	10,877	30,218	27,698
Receivables from Non-Exchange Transactions	152,540	228,047	230,567
	<u>163,417</u>	<u>258,265</u>	<u>258,266</u>

10 Inventories

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
Stationery	\$ 3,977	\$ 3,434	\$ 3,434
	<u>3,977</u>	<u>3,434</u>	<u>3,434</u>

11 Investments

The School's investment activities are classified as follows:

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
Current Assets	\$	\$	\$
Short-term Bank Deposits	820,410	920,527	920,527
	<u>820,410</u>	<u>920,527</u>	<u>920,527</u>

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2016.

12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Land	23,126	-	-	-	-	23,126
Building improvements	264,772	-	-	-	(7,561)	257,211
Furniture and equipment	189,359	61,993	(390)	-	(39,530)	211,432
Information and communication	68,247	65,026	(829)	-	(29,306)	103,138
Motor vehicles	20,037	-	-	-	(6,870)	13,167
Leased assets	-	13,231	-	-	(2,205)	11,026
Library resources	20,686	5,339	(837)	-	(2,519)	22,669
Balance at 31 December 2016	586,226	145,589	(2,056)	-	(87,991)	641,768

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Land	23,126	-	23,126
Building improvements	302,441	(45,230)	257,211
Furniture and equipment	955,681	(744,250)	211,432
Information and communication	249,235	(146,097)	103,138
Motor vehicles	98,681	(85,514)	13,167
Leased assets	13,231	(2,205)	11,026
Library resources	86,336	(63,667)	22,669
Balance at 31 December 2016	1,728,731	(1,086,963)	641,768

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2015	\$	\$	\$	\$	\$	\$
Land	23,126	-	-	-	-	23,126
Building improvements	272,333	-	-	-	(7,561)	264,772
Furniture and equipment	194,243	33,840	-	-	(38,723)	189,360
Information and communication	81,779	16,098	(1,739)	-	(27,891)	68,247
Motor vehicles	26,906	-	-	-	(6,870)	20,036
Library resources	18,371	5,015	(403)	-	(2,297)	20,686
Balance at 31 December 2015	616,758	54,953	(2,142)	-	(83,342)	586,227

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2015	\$	\$	\$
Land	23,126	-	23,126
Building improvements	302,441	(37,669)	264,772
Furniture and equipment	1,005,062	(815,702)	189,360
Information and communication	567,979	(499,732)	68,247
Motor vehicles	98,681	(78,645)	20,036
Library resources	83,869	(63,183)	20,686
Balance at 31 December 2015	2,081,158	(1,494,930)	586,227

13 Accounts Payable

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
Operating creditors	\$ 29,451	\$ 49,835	\$ 49,835
Accruals	-	-	5,310
Employee Entitlements - salaries	154,976	242,032	242,032
Employee Entitlements - leave accrual	15,171	17,314	17,314
	<u>199,598</u>	<u>309,181</u>	<u>314,490</u>
Payables for Exchange Transactions	199,598	309,181	314,490
	<u>199,598</u>	<u>309,181</u>	<u>314,490</u>

The carrying value of payables approximates their fair value.

14 Revenue Received in Advance

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
Other	\$ 34,739	\$ 21,403	\$ 21,403
	<u>34,739</u>	<u>21,403</u>	<u>21,403</u>

15 Provision for Cyclical Maintenance

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
Provision at the Start of the Year	\$ 244,154	\$ 244,154	\$ 220,692
Increase to the Provision During the Year	52,357	-	45,782
Adjustment to the Provision	(110,234)	-	-
Use of the Provision During the Year	(15,820)	-	(22,320)
Provision at the End of the Year	<u>170,457</u>	<u>244,154</u>	<u>244,154</u>
Cyclical Maintenance - Current	36,000	57,210	57,210
Cyclical Maintenance - Term	134,457	186,944	186,944
	<u>170,457</u>	<u>244,154</u>	<u>244,154</u>

16 Finance Lease Liability

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

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
No later than one year	\$ 6,900	\$ 8,256	\$ 8,256
Later than one year and no later than five years	7,257	1,357	1,357
	<u>14,157</u>	<u>9,613</u>	<u>9,613</u>

17 Funds held on behalf of Third Parties

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
Funds held in Trust on behalf of third parties - Current	\$ 36,466	\$ 18,824	\$ 18,824
	36,466	18,824	18,824

These funds are held in trust for: Trips and Student Income in Advance.

18 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:

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to RM)	Closing Balances
	2016	\$	\$	\$	\$	\$
MOE Accessibility project	Completed	280,304	152,982	433,286	-	-
MOE Derby Street Repair	Completed	12,677	1,409	14,085	-	-
Totals		292,981	154,390	447,371	-	-

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Due from the Ministry of Education

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to RM)	Closing Balances
	2015	\$	\$	\$	\$	\$
MOE Upgrade Room E3	Completed	-	52,205	52,205	-	-
MOE Accessibility project	In Progress	-	500,000	219,696	-	280,304
MOE Derby Street Repair	In Progress	-	12,677	-	-	12,677
Totals		-	564,881	271,900	-	292,981

19 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.

20 Remuneration

Key management personnel compensation

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

	2016 Actual \$	2015 Actual \$
Board Members		
Remuneration	3,515	3,240
Full-time equivalent members	0.18	0.20
Leadership Team		
Remuneration	421,611	432,333
Full-time equivalent members	4.00	5.00
Total key management personnel remuneration	425,126	435,573
Total full-time equivalent personnel	4.18	5.20

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:

	2016 Actual \$000	2015 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 135	140 - 150
Benefits and Other Emoluments	14 - 15	14 - 15
Termination Benefits	0 - 0	0 - 0

Other Employees

The number of other employees with remuneration greater than \$100,000 was in the following bands:

Remuneration \$000	2016 FTE Number	2015 FTE Number
110-120	-	-
100-110	2.00	2.00
	2.00	2.00

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

21 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:

	2016 Actual \$	2015 Actual
Total	-	\$15,000
Number of People	-	1

22 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2016 (Contingent liabilities and assets at 31 December 2015: nil).

23 Commitments

Capital Commitments

As at 31 December 2016 the Board has entered into no contract agreements for capital works.

(Capital commitments at 31 December 2015: nil)

Operating Commitments

As at 31 December 2016 the Board has entered into the following contracts:

(a) operating lease of a computer laptops and vistap

	2016 Actual	2015 Actual
	\$	\$
No later than One Year	13,914	16,802
Later than One Year and No Later than Five Years	6,255	20,169
	<u>20,169</u>	<u>36,971</u>

24 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.

25 Financial Instruments

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

Loans and Receivables	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Cash and Cash Equivalents	788,336	840,847	861,291
Receivables	163,417	258,265	258,266
Investments - Term Deposits	820,410	920,527	920,527
Total Loans and Receivables	<u>1,772,163</u>	<u>2,019,639</u>	<u>2,040,084</u>
Financial Liabilities Measured at Amortised Cost			
Payables	199,598	309,181	314,490
Finance Leases	12,633	9,612	9,612
Total Financial Liabilities Measured at Amortised Cost	<u>212,231</u>	<u>318,793</u>	<u>324,102</u>

26 Events After Balance Date

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

**INDEPENDENT AUDIT REPORT TO THE READERS OF
BULLER HIGH SCHOOL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

The Auditor-General is the auditor of Buller High School (the School). The Auditor-General has appointed me, Warren Johnstone, using the staff and resources of BDO Christchurch, to carry out the audit of the financial statements of the School on her behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18 that comprise the statement of financial position as at 31 December 2016, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - financial position as at 31 December 2016; and
 - financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practices in New Zealand and have been prepared in accordance with Public Benefit Entity Standards with disclosure concessions.

Our audit was completed on 8 May 2017. This is the date at which our opinion is expressed.

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

Basis of Opinion

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

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

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

Responsibilities of the Board of Trustees

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

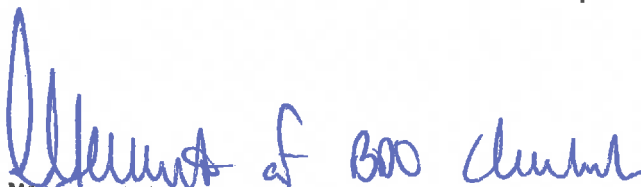
We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Independence

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

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



Warren Johnstone
BDO Christchurch

On behalf of the Auditor-General
Christchurch, New Zealand



Buller High School

Kiwisport Statement

During 2016 the School received total Kiwisport funding of \$7,322 excluding gst.

We wish to confirm that in 2016 the Buller High Board of Trustees allocated all Kiwisport funding to subsidise the wages of its Sportfit Co-ordinator.

Buller High School is committed to providing all students with an opportunity to participate in a wide range of sporting experiences to promote and foster an environment of well-being, personal growth, confidence and self-belief.

The Board is fully committed to supporting students with this opportunity.

Chairperson

1/11/16

Date

Principal

1/11/2016

Date

Buller High School

Members of Board of Trustees 2016

Name	Position	Held until
Michelle Lomax	Chairperson	May 2019
Andrew Basher	Principal	
Miriam Comeskey	Staff Representative	May 2019
Sue Dobson	Parent Representative	May 2016
Steve Dorey	Staff Representative	May 2016
Eamon Ginley	Parent Representative	May 2019
John Gugich	Parent Representative	May 2019
Peter Kirkwood	Parent Representative	February 2016
Gina Lee-Duncan	Maori Representative	May 2019
Jo Duston	Parent Representative	May 2016
Beth O'Connor	Student Representative	September 2016
Daniel Beveridge	Student Representative	September 2017

