

LINCOLN HIGH SCHOOL



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

School Address:	25 Boundary Road, Lincoln, Selwyn District
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Ministry Number:	347

LINCOLN HIGH SCHOOL

Financial Statements - For the year ended 31 December 2016

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Lincoln 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.

ADRIAN MARK PATTERSON
Full Name of Board Chairperson

Kathleen Mary Paterson
Full Name of Principal


Signature of Board Chairperson


Signature of Principal

31/5/17
Date

31/5/2017
Date

Lincoln 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	12,752,880	15,142,118	12,235,897
Locally Raised Funds	3	1,195,883	842,460	952,044
Interest Earned		219,935	220,000	256,529
International Students	4	979,232	775,000	803,700
		15,147,931	16,979,578	14,248,170
Expenses				
Locally Raised Funds	3	384,084	206,748	205,044
International Students	4	351,712	271,700	292,925
Learning Resources	5	10,740,991	12,713,065	9,675,693
Administration	6	726,143	663,075	585,521
Finance Costs		6,673	-	-
Property	7	2,906,699	3,372,514	3,078,038
Depreciation	8	244,190	157,307	186,257
Loss on Disposal of Property, Plant and Equipment		1,742	-	34,227
		15,362,234	17,384,409	14,057,705
Net Surplus / (Deficit)		(214,303)	(404,831)	190,465
Other Comprehensive Revenue and Expense				
Total Comprehensive Revenue and Expense for the Year		(214,303)	(404,831)	190,465

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

Lincoln 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	5,674,891	5,674,891	5,323,998
Total comprehensive revenue and expense for the year	(214,303)	(404,831)	190,465
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	52,500	-	56,563
Contribution - SNUP	-	-	103,864
Equity at 31 December	5,513,088	5,270,060	5,674,891
Retained Earnings	5,513,088	5,270,060	5,674,891
Equity at 31 December	5,513,088	5,270,060	5,674,891

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

Lincoln 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	9	410,875	684,174	931,698
Accounts Receivable	10	530,517	948,565	948,565
GST Receivable		13,913	14,975	14,975
Prepayments		57,623	43,687	43,687
Inventories	11	3,830	2,048	2,048
Investments	12	5,609,370	5,051,590	5,051,590
Funds Due for Capital Works Projects	19	20,529	2,810	2,810
		6,646,656	6,747,849	6,995,373
Current Liabilities				
Accounts Payable	14	698,036	953,045	953,045
Revenue Received in Advance	15	517,836	601,148	601,148
Provision for Cyclical Maintenance	16	49,154	24,086	24,086
Finance Lease Liability - Current Portion	17	55,572	23,299	23,299
Funds Held in Trust	18	619,646	687,194	687,194
Funds Held on Behalf of Lincoln Schools Cluster	21	31,372	-	-
Funds held on behalf of ALLIS Cluster	20	11,374	-	-
		1,982,989	2,288,772	2,288,772
Working Capital Surplus/(Deficit)		4,663,667	4,459,077	4,706,601
Non-current Assets				
Investments (more than 12 months)	12	21,306	16,306	16,306
Property, Plant and Equipment	13	1,457,901	1,347,075	1,504,380
		1,479,207	1,363,381	1,520,687
Non-current Liabilities				
Provision for Cyclical Maintenance	16	507,795	476,676	476,676
Finance Lease Liability	17	121,991	75,722	75,722
		629,786	552,398	552,398
Net Assets		5,513,088	5,270,060	5,674,890
Equity		5,513,088	5,270,060	5,674,891

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

Lincoln 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		2,812,118	2,771,118	2,823,729
Locally Raised Funds		1,335,900	842,460	792,552
Hostel		(28,881)	-	-
International Students		928,992	775,000	808,838
Goods and Services Tax (net)		1,062	-	(9,764)
Payments to Employees		(2,053,451)	(1,893,917)	(1,809,659)
Payments to Suppliers		(3,130,350)	(2,679,880)	(2,437,406)
Interest Received		265,290	220,000	292,651
Net cash from/(to) the Operating Activities		130,680	34,781	460,941
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(4,142)	(9,994)	(182,523)
Purchase of PPE (and Intangibles)		(95,448)	(272,311)	(218,998)
Purchase of Investments		(562,780)	-	-
Net cash from/(to) the Investing Activities		(662,369)	(282,305)	(401,521)
Cash flows from Financing Activities				
Furniture and Equipment Grant		52,500	-	160,426
Finance Lease Payments		(27,995)	-	(17,474)
Funds Administered on Behalf of Third Parties		(13,639)	-	177,283
Net cash from/(to) the Financing Activities		10,866	-	320,235
Net increase/(decrease) in cash and cash equivalents		(520,823)	(247,524)	379,655
Cash and cash equivalents at the beginning of the year	9	931,698	931,698	552,043
Cash and cash equivalents at the end of the year	9	410,875	684,174	931,698

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

Lincoln 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 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 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:

Buildings Owned by School	50 years
Building Improvements	10-20 years
Furniture and Equipment	5-10 years
Information and Communication Technology	3-5 years
Motor Vehicles	5 years
Leased Assets	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 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 international students where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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 Shared Funds

Shared Funds are held on behalf of participating schools within a cluster of schools. The School holds sufficient funds to enable the funds to be used for their intended purpose.

1.18 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).

1.19 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.

1.20 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.

1.21 Budget Figures

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

1.22 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	2,652,063	2,692,449	2,601,939
Teachers' salaries grants	7,910,140	9,971,000	7,212,206
Use of Land and Buildings Grants	2,007,935	2,400,000	2,188,014
Other MoE Grants	141,106	37,033	192,102
Other government grants	41,636	41,636	41,636
	12,752,880	15,142,118	12,235,897

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	159,567	163,700	160,267
Fundraising	3,595	3,239	5,192
Bequests	1,000	2,000	1,000
Other revenue	36,610	14,900	9,043
Trading	372,779	193,000	204,481
Activities	315,883	190,607	220,726
Curriculum Recoveries	306,449	275,014	351,335
	1,195,883	842,460	952,044
Expenses			
Activities	19,162	13,748	5,143
Trading	364,922	193,000	197,916
Fundraising (costs of raising funds)	-	-	1,985
	384,084	206,748	205,044
Surplus for the year Locally Raised Funds	811,799	635,712	747,000

4 International Student Revenue and Expenses

	2016 Actual Number 65	2016 Budget (Unaudited) Number 51	2015 Actual Number 51
	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue			
International student fees	979,232	775,000	803,700
	979,232	775,000	803,700
Expenses			
Advertising	34,526	40,000	36,102
Commissions	95,912	89,700	84,290
Recruitment	123,048	80,000	110,014
International student levy	26,406	22,000	31,941
Employee Benefit - Salaries	58,779	30,000	30,578
Other Expenses	13,041	10,000	-
	351,712	271,700	292,925
Surplus for the year International Student Revenue and Expenses	627,520	503,300	510,775

5 Learning Resources

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Curricular	722,712	866,130	597,697
Equipment repairs	54,701	70,017	12,053
Information and communication technology	336,188	347,962	330,912
Extra-curricular activities	238,642	116,403	218,933
Library resources	3,296	3,836	5,123
Employee benefits - salaries	9,361,515	11,269,717	8,481,233
Staff development	23,938	39,000	29,743
	10,740,991	12,713,065	9,675,693

6 Administration

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Audit Fee	9,071	8,525	7,858
Board of Trustees Fees	6,040	7,400	6,200
Board of Trustees Expenses	16,147	11,700	4,465
Communication	26,723	26,300	25,033
Consumables	49,790	43,800	45,525
Operating Lease	640	1,300	1,327
Legal Fees	300	2,000	300
Other	174,396	105,850	99,675
Employee Benefits - Salaries	398,109	410,200	345,624
Insurance	44,927	46,000	44,515
Service Providers, Contractors and Consultancy	-	-	5,000
	726,143	663,075	585,521

7 Property

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	25,143	25,640	24,984
Consultancy and Contract Services	209,751	207,824	195,837
Cyclical Maintenance Provision	83,188	122,000	120,047
Grounds	64,926	91,600	64,825
Heat, Light and Water	208,331	192,000	201,106
Rates	9,044	9,200	9,030
Repairs and Maintenance	122,943	166,000	119,507
Use of Land and Buildings	2,007,935	2,400,000	2,188,014
Security	5,070	3,250	3,182
Employee Benefits - Salaries	170,368	155,000	151,505
	2,906,699	3,372,514	3,078,038

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

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Building Improvements - Crown	18,728	15,817	18,728
Furniture and Equipment	73,565	60,926	72,138
Information and Communication Technology	81,032	49,103	58,140
Motor Vehicles	9,994	8,441	9,994
Leased Assets	51,391	14,716	17,424
Library Resources	9,480	8,304	9,832
	244,190	157,307	186,257

9 Cash and Cash Equivalents

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Cash on Hand	1,137	300	300
Bank Current Account	409,737	683,874	331,398
Bank Call Account	-	-	600,000
	410,875	684,174	931,698

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

10 Accounts Receivable

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Receivables	44,458	194,861	194,861
Interest Receivable	24,489	69,844	69,844
Teacher Salaries Grant Receivable	461,570	683,860	683,860
	530,517	948,565	948,565
Receivables from Exchange Transactions	68,948	264,705	264,705
Receivables from Non Exchange Transactions	461,570	683,860	683,860
	530,517	948,565	948,565

11 Inventories

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Stationery	-	1,455	1,455
School Uniforms	2,579	-	-
Canteen	1,251	593	593
	3,830	2,048	2,048

12 Investments

The School's investment activities are classified as follows:

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Current Assets			
Short term Bank Deposits	5,609,370	5,051,590	5,051,590
	5,609,370	5,051,590	5,051,590
Non-current Assets			
Long-term Bank Deposits	21,306	16,306	16,306
	21,306	16,306	16,306

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

13 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Building improvements	803,040	23,923	-	-	(18,728)	808,235
Furniture and equipment	283,190	30,441	(894)	-	(73,565)	239,172
Information and communication	236,385	21,604	-	-	(81,032)	176,957
Motor vehicles	13,869	-	-	-	(9,994)	3,875
Leased assets	99,071	99,862	-	-	(51,391)	147,542
Library resources	68,825	8,561	(1,543)	-	(9,480)	66,362
Work in Progress	-	15,756	-	-	-	15,756
Balance at 31 December 2016	1,504,381	200,147	(2,437)	-	(244,190)	1,457,901

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Building improvements	960,322	(152,087)	808,235
Furniture and equipment	794,060	(554,888)	239,172
Information and communication	663,565	(486,607)	176,957
Motor vehicles	114,734	(110,859)	3,875
Leased assets	216,358	(68,815)	147,542
Library resources	221,504	(155,141)	66,362
Work in Progress	15,756	-	15,756
Balance at 31 December 2016	2,986,298	(1,528,397)	1,457,901

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2015	\$	\$	\$	\$	\$	\$
Building improvements	821,768	-	-	-	(18,728)	803,040
Furniture and equipment	349,340	5,989	-	-	(72,138)	283,191
Information and communication	158,877	135,648	-	-	(58,140)	236,385
Motor vehicles	23,863	-	-	-	(9,994)	13,869
Leased assets	-	116,495	-	-	(17,424)	99,071
Library resources	71,998	9,743	(3,084)	-	(9,832)	68,825
Balance at 31 December 2015	1,425,846	267,875	(3,084)	-	(186,257)	1,504,380

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2015	\$	\$	\$
Building improvements	936,399	(133,359)	803,040
Furniture and equipment	768,088	(484,897)	283,191
Information and communication	641,960	(405,576)	236,385
Motor vehicles	117,134	(103,265)	13,869
Leased assets	116,495	(17,424)	99,071
Library resources	217,451	(148,626)	68,825
Balance at 31 December 2015	2,797,527	(1,293,147)	1,504,380

14 Accounts Payable

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Operating creditors	127,374	185,272	185,272
Banking staffing overuse	61,904	-	-
Employee Entitlements - salaries	461,570	693,916	693,916
Employee Entitlements - leave accrual	47,188	73,857	73,857
	698,036	953,045	953,045
Payables for Exchange Transactions	698,036	953,045	953,045
	698,036	953,045	953,045

The carrying value of payables approximates their fair value.

15 Revenue Received in Advance

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	-	22,687	22,687
International student fees	467,412	517,652	517,652
Other	50,424	60,809	60,809
	517,836	601,148	601,148

16 Provision for Cyclical Maintenance

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Provision at the Start of the Year	500,761	500,762	418,582
Increase to the Provision During the Year	83,188	-	120,047
Use of the Provision During the Year	(27,000)	-	(37,867)
Provision at the End of the Year	556,949	500,762	500,762
Cyclical Maintenance - Current	49,154	24,086	24,086
Cyclical Maintenance - Term	507,795	476,676	476,676
	556,949	500,762	500,762

17 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	62,273	23,299	23,299
Later than one year and no later than five years	125,772	75,722	75,722
	188,045	99,021	99,021

This note shows the minimum lease payments payable. Please note that this will not agree back to the liability because the lease payments include interest.

18 Funds held in Trust

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Funds held in Trust on behalf of third parties - Current	619,646	687,194	687,194
	619,646	687,194	687,194

These funds are held in trust for International Students

19 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	\$	\$	\$	\$	\$
4 MOE SYA Hall Heating 2015	<i>In Progress</i>	(2,810)	50,000	49,781	-	(2,591)
MOE Block F	<i>Completed</i>	-	722	722	-	-
MOE SYA HA Turf Refurb	<i>In Progress</i>	-	-	4,485	-	(4,485)
MOE SYA Block A Refurb	<i>In Progress</i>	-	-	12,386	-	(12,386)
MOE SYA Swimming Pool	<i>In Progress</i>	-	-	1,066	-	(1,066)
Totals		(2,810)	50,722	68,440	-	(20,529)

Represented by:

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

20,529

20,529

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to RM)	Closing Balances
	2015	\$	\$	\$	\$	\$
1 MOE 2013 A Block	<i>Completed</i>	(5,669)	30,775	21,128	(3,978)	-
2 MOE 2014 N Block	<i>Completed</i>	722	-	-	(722)	-
3 MOE Heating Control	<i>Completed</i>	110	-	-	(110)	-
4 MOE SYA Hall Heating 2015	<i>In Progress</i>	-	-	2,810	-	(2,810)
5 MOE SYA Gym Floors	<i>Completed</i>	-	40,122	40,481	359	-
Totals		(4,837)	70,897	64,419	(4,451)	(2,810)

20 Funds Held on Behalf of ALLIS Cluster

Lincoln High School is the lead school and holds funds on behalf of the ALLIS cluster, a group of schools funded by the Ministry of Education to increase number of students and communication skills in students learning Mandarin Chinese, Japanese and Korean languages.

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Funds Received from Cluster Members	12,536	-	-
Funds Received from MoE	61,226	-	-
Funds Spent on Behalf of the Cluster	(62,388)	-	-
	11,374	-	-
Funds Held at Year End	11,374	-	-

21 Funds Held on Behalf of Lincoln Schools Cluster

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Funds Received from Cluster Members	9,906	-	-
Funds Received from MoE	58,087	-	-
Funds Spent on Behalf of the Cluster	(36,621)	-	-
	31,372	-	-
Funds Held at Year End	31,372	-	-

22 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.

23 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	6,040	6,200
Full-time equivalent members	0.38	0.34
Leadership Team		
Remuneration	794,199	677,215
Full-time equivalent members	7.00	7.00
Total key management personnel remuneration	800,239	683,415
Total full time equivalent personnel	7.38	7.34

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	180 - 190	160 - 170
Benefits and Other Emoluments	4 - 5	4 - 5
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	1.00	1.00
100-110	4.00	1.00
	5.00	2.00

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

24 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	\$ -	\$ -
Number of People	-	-

25 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).

26 Commitments

Capital Commitments

As at 31 December 2016 the Board has entered into contract agreements for capital works as follows:

- (a) The Board of Trustees approved and transferred to the Ministry of Education \$175,259 (excl GST) as a contribution to design enhancements of six new teaching space roll growth block.
- (b) The school placed orders in December 2016 for furniture for B Block to the value of \$26,360 (excl GST).
- (c) As part of the A Block Ministry of Education 5YA project the school placed orders in December 2016 for carpet replacement in A5, A6, A7, the office and foyer to the value of \$19,671 (excl GST).
- (d) The school placed orders in December 2016 for replacement of carpet in three classrooms in E Block to the value of \$11,805 (excl GST).
- (e) The school approved the appointment of project managers in December 2016 for the Ministry of Education 5YA Swimming Pool Change rooms. The total value of the project is expected to approximately \$120,000.
- (f) The school entered into a service agreement for network management commencing in January 2017 for 36 months with monthly instalments of \$13,917.

Capital commitments as at 31 December 2015 (\$3,435 per quarter)

Operating Commitments

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

- (a) operating lease of a photocopier;

	2016 Actual	2015 Actual
	\$	\$
No later than One Year	42,255	42,505
Later than One Year and No Later than Five Years	6,288	36,224
	48,543	78,729

27 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.

28 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	410,875	684,174	931,698
Receivables	530,517	948,565	948,565
Investments - Term Deposits	5,630,676	5,067,896	5,067,896
Total Loans and Receivables	6,572,067	6,700,635	6,948,160

Financial Liabilities Measured at Amortised Cost

Payables	698,036	953,045	953,045
Finance Leases	177,562	99,021	99,021
Total Financial Liabilities Measured at Amortised Cost	875,598	1,052,066	1,052,066

29 Events After Balance Date

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