

ARORANGI PRIMARY SCHOOL

ANNUAL AUDITED REPORT

FOR THE YEAR ENDED 31/12/2010

ARORANGI PRIMARY SCHOOL

ANNUAL REPORT FOR THE YEAR ENDED 31/12/2010

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ARORANGI PRIMARY SCHOOL

DIRECTORY

Ministry

Education

Name of Principal

Vaeruarangi Unuka

Business Address

Arorangi

Rarotonga

Cook Islands

Auditor

Ministry of Education

Banker

ANZ Banking Corporation

Solicitor

Crown Law Office

ARORANGI PRIMARY SCHOOL

STATEMENT OF RESPONSIBILITY

In terms of Section 30 of the Ministry of Finance and Economic Management Act 1995-96, I am responsible for the preparation of the Arorangi Primary School's financial statements and the judgments made in the process of producing those statements.

I have the responsibility of establishing and maintaining internal controls. I have established and maintained a system of internal control procedures that provides reasonable assurance as to the integrity and reliability of financial reporting.

In my opinion, these financial statements fairly reflect the financial position and operations of the Arorangi Primary School for the year ended 31st December 2010.

Mr. Vaeruarangi Unuka
Principal – Arorangi School

Ms Doreen Boggs
Treasurer - Arorangi School

14-Jul-11

Date

Arorangi Primary School
Income & Expenditure Statement for the year ended 31/12/2010

Current Year
2010

Income

Donation	\$ 623.00
PTA	\$ 26,214.30
School Fees	\$ 230.00
Canteen Fee	\$ 3,118.50
Scholastic Books	\$ 1,555.30
Mufti Day	\$ 659.90
Pre-School	\$ 894.00
Culture Tickets	\$ 585.00
Book Club	\$ 2,403.00
Reimbursements	\$ 2,142.95
Prize Money	\$ 47.00
Phone Charges	\$ 10.00
Family Reunion	\$ 100.00
Sports Uniform	\$ 35.00
Other Revenue	\$ 3,410.30
Total Income	\$ 42,028.25

Expenditure

Expensed Asset	\$ 156.00
PTA	\$ 17,315.84
Picnic Expenses	\$ 446.60
AGM Expenses	\$ 61.54
Prefect Badges	\$ 120.00
Book Order	\$ 4,987.50
Sports Uniform	\$ 105.00
Donation	\$ 650.00
Pre-School	\$ 538.90
Transport Cost	\$ 606.00
Printing & Stationery	\$ 183.38
Term End Expenses	\$ 540.99
Food Expenses	\$ 465.24
Staff Amenities & Welfare	\$ 624.28
Building Maintenance	\$ 570.20
Canteen Expenses	\$ 222.16
Gas	\$ 103.00
Licence & Permits	\$ 67.00
Advertising	\$ 246.40
Laundry	\$ 36.00
Bank Charges	\$ 131.00
Other Expenses	\$ 271.60
Total Expenditure	\$ 28,448.63

Net Surplus / (Deficit)

\$ 13,579.62

Arorangi Primary School
Balance Sheet

Current Year
2010

Current Assets

ANZ Bank Balances

\$ 23,754.59

Total Cash & Equivalents

\$ 23,754.59

Total Current Assets

\$ 23,754.59

Non-Current Assets

Property, Plant, and Equipment

\$ -

Total Non Current Assets

\$ -

Total Assets

\$ 23,754.59

Liabilities

Accounts Payables

\$ -

Total Liabilities

\$ -

NET ASSETS

\$ 23,754.59

Taxpayer Funds

Opening taxpayers funds

\$ 10,174.97

Net surplus (deficit) for the year

\$ 13,579.62

Total Taxpayer Funds

\$ 23,754.59

Variance

\$ -

Arorangi Primary School
Bank Reconciliation Summary as at 31/12/2010

General Ledger

Opening Balance	\$ 597.25
Add: Cash Receipts	\$ 15,813.95
Less: Cash Payments	\$ 11,001.79
Less: Bank Charges	\$ 79.40

Ledger Balance as at 31/12/2010

\$ 5,330.01

Bank Reconciliation

Credit Balance as per bank statement	\$ 5,330.01
Add: Lodgements not yet credited	\$ -
Add: Outstanding Debits	\$ -
Less: Unpresented Cheques	\$ -
Less: Outstanding Credit	\$ -
Balance as per GL	<u>\$ 5,330.01</u>

Arorangi Primary School - PTA Account
Bank Reconciliation Summary as at 31/12/2010

General Ledger

Opening Balance	\$ 9,577.72
Add: Cash Receipts	\$ 26,214.30
Less: Cash Payments	\$ 17,315.84
Less: Bank Charges	\$ 51.60

Ledger Balance as at

\$ 18,424.58

Bank Reconciliation

Credit Balance as per bank statement	\$ 18,424.58
Add: Lodgements not yet credited	\$ -
Add: Outstanding Debits	\$ -
Less: Unpresented Cheques	\$ -
Less: Outstanding Credit	\$ -
Balance as per GL	<u>\$ 18,424.58</u>

ARORANGI PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

Note 1: Statement of Accounting Policies

Basis of Preparation

(i) Reporting Entity

These financial statements are for Arorangi Primary School.

(ii) Measurement Base

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

These financial statements have been prepared using the historical cost method to report results and the financial position. The financial statements have been prepared under the cash basis of accounting and are presented in New Zealand dollars.

Significant Accounting Policies

The following accounting policies, which significantly affect the measurement of financial performance, financial position and cash flows have been applied:

(i) Revenue

Arorangi School derives revenue from School Fees, Donation, Canteen Sales, Raffle Sales and other Activities to improve the provision of services to the Children in the form of Education. All revenue is recognised when cash is actually received.

(ii) Expenses

Expenses are recognised when paid and are reported in the financial period in which they are actually paid.

Realised gains or losses arising from sales of assets or the early settlement of a liability are recognised in the Statement of Financial Performance in the period in which the transaction is concluded.

(iii) Plant, Property, and Equipment

Plant, property and equipment are recorded at cost less accumulated depreciation.

The cost of purchased plant, property, and equipment is the value of the consideration given to acquire the assets and the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

When an item of plant, property and equipment is disposed, the gain or loss associated with that item will be recognised in the Statement of Financial Performance.

Depreciation of plant, property, and equipment is provided on a straight line basis so as to allocate the cost of assets to their estimated residual value over their estimated useful lives. Typically, the estimated useful lives are:

Building	40 years
Office & Computer Equipment	3 years
Plant & Equipment	5 years

ARORANGI PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

(iv) Foreign Currencies

Foreign currency transactions are recorded at the exchange rates in effect at the date of the transaction. Monetary assets and liabilities arising from trading transactions or overseas borrowings are translated at closing rates. Gains and losses due to currency fluctuations on these items are included in the Statement of Financial Performance.

(v) Financial Instruments

Financial instruments primarily consist of bank balances, receivables and payables. Gains and losses in relation to all financial instruments are recognised in the Statement of Financial Performance.

Changes in Accounting Policies

There have been no changes in accounting policies since the date of the last audited Financial Statements

ARORANGI PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

Note 2:

Cash

Bank Balances

\$ 23,754.59

Total Cash & Cash Equivalent

\$ 23,754.59

ARORANGI PRIMARY SCHOOL

Audit Concerns

<u>Cash</u>	<u>Recommendation</u>	<u>Responsibility</u>	<u>Action Taken</u>
<p>1) Bank Reconciliations not done</p> <p>2) Instances of disagreement between total receipts in receipt book and deposit book and credits in bank statement.</p> <p>3) Instances of Receipts & Cheques not written in chronological order.</p> <p>4) No Payment Vouchers used</p> <p>5) Purpose of receipt/payment not mentioned on cheque butts & receipt book.</p>	<p>Bank reconciliation needs to be done on a monthly basis.</p> <p>Receipts need to be written as soon as money received, need to be written clearly and monthly bank reconciliations needs to be done.</p> <p>Receipts and Cheques need to be written in sequence and in a chronological order.</p> <p>Payment vouchers need to be used for every payment and filed properly with supporting documents.</p> <p>At least the following information should be clearly noted on Receipts /Cheque butts:</p> <p>i) Date ii) Supplier/Customer iii) Amount iv) Expense or Income Type v) Invoices Paid</p>	<p>Treasurer</p> <p>Treasurer/Principal</p> <p>Treasurer/Principal</p> <p>Treasurer/Principal</p> <p>Treasurer/Principal</p>	
<p><u>Invoices/Financial Documents</u></p> <p>1) Invoices and other necessary finance documents not filed properly.</p>	<p>Invoices and other important documents should be filed properly and locked away with access to restricted personnel only.</p>	<p>Treasurer/Principal</p>	
<p><u>Reports</u></p> <p>1) Year end report not fully completed.</p>	<p>Basic reports such as Income statement, Bank Recs and preferably Balance Sheet need to be done on a monthly and yearly basis and all income and expenses need to be captured in the accounting period it incurs.</p>	<p>Treasurer</p>	
<p><u>Fixed Assets</u></p> <p>1) Assets not reflected in Balance Sheet</p> <p>2) No depreciation expense taken up</p>	<p>Assets should be reflected at cost less accumulated depreciation on the Balance Sheet.</p> <p>Assets should be depreciated as per its life and expense taken up in P & L while it needs to be shown at cost less accumulated depreciation in the Balance Sheet.</p>	<p>Treasurer</p> <p>Treasurer</p>	