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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TAURANGA WALDORF SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The Auditor-General is the auditor of Tauranga Waldorf School (the School). The Auditor-General has appointed me, Fraser Lellman, using the staff and resources of BDO Tauranga, to carry out the audit of the financial statements of the School on his 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 2017, 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:
 - its financial position as at 31 December 2017; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with PBE Accounting Standards Reduced Disclosure Regime.

Our audit was completed on 22 May 2018. 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 for our 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 for the financial statements

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.

PARTNERS: Fraser Lellman CA Kenneth Brown CA Janine Hellyer CA Jenny Lee CA
Donna Kemp CA Paul Manning CA

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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 arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included on pages 1 to 9, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.



Fraser Lellman
BDO Tauranga
On behalf of the Auditor-General
Tauranga, New Zealand

TAURANGA WALDORF SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address: 364 Welcome Bay Road, Tauranga
School Postal Address: P O Box 115, Seventh Ave, Tauranga 3140
School Phone: 07-5442452
School Email: finance@waldorftga.nz
Ministry Number: 1187

TAURANGA WALDORF SCHOOL

Financial Statements - For the year ended 31 December 2017

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TAURANGA WALDORF SCHOOL

Statement of Responsibility


For the year ended 31 December 2017

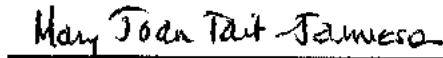
The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

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.

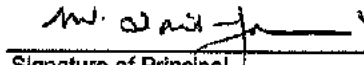
It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.


Full Name of Board Chairperson


Full Name of Principal


Signature of Board Chairperson


Signature of Principal

22 May 2018.
Date:

22 / 05 / 2018
Date:

TAURANGA WALDORF SCHOOL
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue				
Government Grants	2	1,150,709	265,383	1,031,020
Locally Raised Funds	3	147,545	142,200	181,081
Use of Land and Buildings Integrated		261,680	182,400	261,680
Interest Earned		1,563	1,500	2,119
International Students	4	9,348	-	-
		<u>1,570,844</u>	<u>591,483</u>	<u>1,475,901</u>
Expenses				
Locally Raised Funds	3	12,623	-	13,299
International Students	4	168	-	-
Learning Resources	5	1,047,192	184,560	987,539
Administration	6	110,971	146,100	126,497
Finance Costs		1,854	-	2,121
Property	7	335,992	243,700	346,606
Depreciation	8	31,837	25,000	34,033
Loss on Disposal of Property, Plant and Equipment		1,040	-	1,264
		<u>1,541,675</u>	<u>599,360</u>	<u>1,511,358</u>
Net Surplus / (Deficit)		29,170	(7,877)	(35,457)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>29,170</u>	<u>(7,877)</u>	<u>(35,457)</u>

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



TAURANGA WALDORF SCHOOL
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
Balance at 1 January	<u>123,272</u>	<u>36,348</u>	<u>154,066</u>
Total comprehensive revenue and expense for the year	29,170	(7,877)	(35,457)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	5,587	-	4,664
Equity at 31 December	<u>158,029</u>	<u>28,471</u>	<u>123,272</u>
Retained Earnings	158,029	28,471	123,272
Equity at 31 December	<u>158,029</u>	<u>28,471</u>	<u>123,272</u>

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



TAURANGA WALDORF SCHOOL
Statement of Financial Position
As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and Cash Equivalents	9	72,127	17,229	24,187
Accounts Receivable	10	75,073	50,200	66,568
GST Receivable		-	-	9,260
Prepayments		3,659	-	-
Investments	11	31,218	-	31,218
		<u>182,077</u>	<u>67,429</u>	<u>131,233</u>
Current Liabilities				
Accounts Payable	13	76,723	80,000	77,094
GST Payable		546	-	-
Provision for Cyclical Maintenance	14	28,820	30,000	23,735
Finance Lease Liability - Current Portion	15	8,814	5,000	7,635
Funds held in Trust	22	-	-	-
		<u>114,903</u>	<u>115,000</u>	<u>108,464</u>
Working Capital Surplus/(Deficit)		67,174	(47,571)	22,769
Non-current Assets				
Property, Plant and Equipment	12	105,778	89,042	123,100
		<u>105,778</u>	<u>89,042</u>	<u>123,100</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	7,657	8,000	11,502
Finance Lease Liability	15	7,267	5,000	11,095
		<u>14,924</u>	<u>13,000</u>	<u>22,597</u>
Net Assets		<u>158,029</u>	<u>28,471</u>	<u>123,272</u>
Equity		<u>158,029</u>	<u>28,471</u>	<u>123,272</u>

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



TAURANGA WALDORF SCHOOL
Statement of Cash Flows
For the year ended 31 December 2017

	Note	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash flows from Operating Activities				
Government Grants		312,559	265,383	275,262
Locally Raised Funds		138,612	142,200	170,597
International Students		9,348	-	
Goods and Services Tax (net)		9,806	5,000	(2,268)
Payments to Employees		(127,943)	(128,700)	(159,376)
Payments to Suppliers		(276,633)	(255,260)	(268,319)
Cyclical Maintenance payment made in the year		(5,989)	-	(16,924)
Interest Paid		(1,854)	-	(2,121)
Interest Received		1,629	1,500	2,162
Net cash from / (to) the Operating Activities		60,556	30,123	(987)
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(11,746)	(13,000)	(13,286)
Proceeds from Sale of Investments		-	-	(20)
Net cash from / (to) the Investing Activities		(11,746)	(13,000)	(13,306)
Cash flows from Financing Activities				
Furniture and Equipment Grant		5,587	-	4,664
Finance Lease Payments		(6,457)	(2,000)	(3,991)
Net cash from Financing Activities		(870)	(2,000)	673
Net increase/(decrease) in cash and cash equivalents		47,940	15,123	(13,620)
Cash and cash equivalents at the beginning of the year	9	24,187	2,106	37,807
Cash and cash equivalents at the end of the year	9	72,127	17,229	24,187

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.



TAURANGA WALDORF SCHOOL

Notes to the Financial Statements



1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2017 to 31 December 2017 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 11.

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 15.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

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

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.

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Proprietor. The expense is based on an assumed market rental yield on the land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Proprietor.

e) Operating Lease Payments

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

f) Finance Lease Payments

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



g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Investments

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

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

The School has met the requirements under section 28 of schedule 6 of the Education Act 1989 in relation to the acquisition of securities.

j) Property, Plant and Equipment

Land and buildings owned by the Proprietor 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 Proprietor are recorded at cost, less accumulated depreciation and impairment losses.

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

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

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Furniture and equipment	10-40 years
Information and communication technology	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	3-5 years term of lease
Library resources	12.5% Diminishing value



k) 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.

l) 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.

m) 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.

n) Revenue Received in Advance

Revenue received in advance relates to fees received from 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 students, should the School be unable to provide the services to which they relate.

o) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Proprietor, and is vested in the Ministry. The Board is responsible for maintaining the buildings and other facilities on the School site in a state of good order and repair.

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



p) Financial Assets and Liabilities

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

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

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

q) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

r) Budget Figures

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

s) Services received in-kind

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



	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational grants	283,793	252,271	256,929
Teachers' salaries grants	838,150	-	755,757
Resource teachers learning and behaviour grants	-	-	-
Other MoE Grants	28,766	13,112	18,334
	<u>1,150,709</u>	<u>265,383</u>	<u>1,031,020</u>

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
Donations	90,556	142,200	135,048
Other revenue	471	-	2,626
Activities	12,663	-	12,544
Curriculum Recoveries	43,854	-	30,863
	<u>147,545</u>	<u>142,200</u>	<u>181,081</u>
Expenses			
Activities	12,623	-	13,299
	<u>12,623</u>	<u>-</u>	<u>13,299</u>
<i>Surplus for the year Locally raised funds</i>	<u>134,921</u>	<u>142,200</u>	<u>167,782</u>

International Student Revenue and Expenses

	2017 Actual Number	2017 Budget (Unaudited) Number	2016 Actual Number
International Student Roll			
		-	-
Revenue			
International student fees	9,348	-	-
Expenses			
International student levy	168	-	-
	<u>168</u>	<u>-</u>	<u>-</u>
<i>Surplus for the year International Students'</i>	<u>9,180</u>	<u>-</u>	<u>-</u>



	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	56,256	69,960	52,729
Equipment repairs	4,412	1,500	4,494
Information and communication technology	585	2,500	2,477
Extra-curricular activities	46,037	-	36,983
Employee benefits - salaries	915,872	76,700	862,110
Staff development	24,030	33,900	28,746
	<u>1,047,192</u>	<u>184,560</u>	<u>987,539</u>

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,632	5,000	6,155
Board of Trustees Fees	3,610	6,000	2,639
Board of Trustees Expenses	2,846	7,400	11,816
Communication	4,180	4,500	9,145
Consumables	4,345	11,000	3,469
Operating Lease	123	250	-
Other	8,992	10,950	8,159
Employee Benefits - Salaries	50,326	52,000	49,884
Insurance	4,914	5,000	4,765
Service Providers, Contractors and Consultancy	26,003	44,000	30,665
	<u>110,971</u>	<u>146,100</u>	<u>126,497</u>

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	9,624	10,500	10,016
Consultancy and Contract Services	14,345	12,000	9,842
Cyclical Maintenance Provision	7,209	8,000	18,986
Grounds	10,423	13,800	16,836
Heat, Light and Water	20,753	7,000	14,764
Rates	-	-	-
Repairs and Maintenance	6,708	5,000	8,233
Use of Land and Buildings	261,680	182,400	261,680
Security	5,250	5,000	6,249
Employee Benefits - Salaries	-	-	-
	<u>335,992</u>	<u>243,700</u>	<u>346,606</u>

The use of land and buildings figure represents 8% of the school's total property value as determined by a registered valuation prepared in 2015. This is a 'proxy' for the market rental of the property.





	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Furniture and Equipment	20,720	19,000	22,530
Information and Communication Technology	3,911	5,000	5,077
Leased Assets	6,326	-	5,463
Library Resources	880	1,000	963
	<u>31,837</u>	<u>25,000</u>	<u>34,033</u>

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	71	-	166
Bank Current Account	11,222	17,229	18,346
Bank Call Account	60,834	-	5,875
Short-term Bank Deposits	-	-	-
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>72,127</u>	<u>17,229</u>	<u>24,187</u>

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	25,168	-	16,236
Interest Receivable	43	200	109
Teacher Salaries Grant Receivable	49,862	50,000	50,224
	<u>75,073</u>	<u>50,200</u>	<u>66,568</u>
Receivables from Exchange Transactions	25,212	200	16,344
Receivables from Non-Exchange Transactions	49,861	50,000	50,224
	<u>75,073</u>	<u>50,200</u>	<u>66,568</u>

The School's investment activities are classified as follows:

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	31,218	-	31,218

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2017.

2017

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2017						
Furniture and Equipment	86,058	12,460	(987)	-	(20,720)	76,811
Information and Communication	12,415	-	(53)	-	(3,911)	8,451
Leased Assets	17,563	3,095	-	-	(6,326)	14,332
Library Resources	7,064	-	-	-	(880)	6,184
Balance at 31 December 2017	123,100	15,555	(1,040)	-	(31,837)	105,778

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2017			
Furniture and Equipment	222,206	(145,395)	76,811
Information and Communication	40,695	(32,244)	8,451
Leased Assets	30,273	(15,941)	14,332
Library Resources	26,408	(20,224)	6,184
Balance at 31 December 2017	319,582	(213,804)	105,778

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2016						
Buildings	-	-	-	-	-	-
Furniture and Equipment	103,586	5,875	(1,264)	-	(22,530)	85,667
Information and Communication Technology	11,448	6,435	-	-	(5,077)	12,806
Leases equipment	18,548	4,478	-	-	(5,483)	17,563
Library Resources	7,720	307	-	-	(963)	7,064
Balance at 31 December 2016	141,302	17,095	(1,264)	-	(34,033)	123,100

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2016			
Furniture and Equipment	213,292	(127,234)	86,058
Information and Communication Technology	42,459	(30,044)	12,415
Leased Assets	27,178	(9,615)	17,563
Library Resources	26,408	(19,344)	7,064
Balance at 31 December 2016	309,337	(186,237)	123,100



Payables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	16,882	10,000	12,835
Accruals	6,538	20,000	10,499
Employee Entitlements - salaries	49,862	50,000	50,224
Employee Entitlements - leave accrual	3,641	-	3,536
	<u>76,723</u>	<u>80,000</u>	<u>77,094</u>
Payables for Exchange Transactions	76,723	80,000	77,094
	<u>76,723</u>	<u>80,000</u>	<u>77,094</u>

The carrying value of payables approximates their fair value.

Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	36,237	35,237	33,176
Increase to the Provision During the Year	7,209	8,000	18,986
Use of the Provision During the Year	(5,969)	-	(16,924)
Provision at the End of the Year	<u>36,477</u>	<u>43,237</u>	<u>35,237</u>
Cyclical Maintenance - Current	28,820	30,000	23,735
Cyclical Maintenance - Term	7,657	8,000	11,502
	<u>36,477</u>	<u>38,000</u>	<u>35,237</u>

Finance Lease Liability

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	8,814	-	7,635
Later than One Year and no Later than Five Years	7,267	-	11,095
	<u>16,081</u>	<u>-</u>	<u>18,730</u>



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.

Remuneration

Key management personnel compensation

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	3,610	2,639
Full-time equivalent members	0.17	0.30
<i>Leadership Team</i>		
Remuneration	308,485	309,477
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	312,095	312,116
Total full-time equivalent personnel	3.17	3.30

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:

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120-130	110-120
Benefits and Other Emoluments	3-4	3-4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2017 FTE Number	2016 FTE Number
110 - 120	-	-
100 - 110	-	-
	0.00	0.00

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



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:

	2017 Actual	2016 Actual
Total	-	-
Number of People	-	-

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2017 (Contingent liabilities and assets at 31 December 2016: nil).

(a) Capital Commitments

There are no capital commitments as at 31 December 2017

(Capital commitments at 31 December 2016: nil)

(b) Operating Commitments

As at 31 December 2017 the Board has entered into the following contracts:

(a) operating lease of Teta laptops

	2017 Actual \$	2016 Actual \$
No later than One Year	292	530
Later than One Year and No Later than Five Years	-	864
	292	1,194

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.



Financial Statements

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

Loans and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	72,127	17,229	24,187
Receivables	75,073	50,200	66,568
Investments - Term Deposits	31,218	-	31,218
Total Cash and Receivables	178,418	67,429	121,973

Financial liabilities measured at amortised cost

Payables	76,723	80,000	77,094
Borrowings - Loans	-	-	-
Finance Leases	16,081	10,000	18,730
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	92,804	90,000	95,825

Financial Statements

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

