

ST MARY'S SCHOOL (NORTHCOTE)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address: 115 Onewa Road, Northcote, Northshore

School Postal Address: 45 Gladstone Road, Northcote, North Shore, 0627

School Phone: 09 418 4333

School Email: suet@sms.school.nz

Ministry Number: 1505

ST MARY'S SCHOOL (NORTHCOTE)

Financial Statements - For the year ended 31 December 2017

Index

| Page | Statement |
|-------------|--|
| 1 | Statement of Responsibility |
| 2 | Statement of Comprehensive Revenue and Expense |
| 3 | Statement of Changes in Net Assets/Equity |
| 4 | Statement of Financial Position |
| 5 | Statement of Cash Flows |
| 6 - 11 | Statement of Accounting Policies |
| 6 - 20 | Notes to the Financial Statements |

St Mary's School (Northcote)

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

Date:

Date:

St Mary's School (Northcote)**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2017

| | | 2017 | 2017 | 2016 |
|---|-------|------------------|------------------|------------------|
| | Notes | Actual | Budget | Actual |
| | | \$ | (Unaudited) | \$ |
| Revenue | | | | |
| Government Grants | 2 | 2,398,586 | 2,336,602 | 2,487,165 |
| Locally Raised Funds | 3 | 293,811 | 124,250 | 227,309 |
| Use of Land and Buildings Integrated | | 1,239,510 | 560,000 | 490,000 |
| Interest Earned | | 8,890 | 5,000 | 7,203 |
| Gain on Sale of Property, Plant and Equipment | | - | - | 4,509 |
| International Students | 4 | 10,796 | 26,000 | 37,526 |
| Other Revenue | | - | - | 36,355 |
| | | <u>3,951,593</u> | <u>3,051,852</u> | <u>3,290,067</u> |
| Expenses | | | | |
| Locally Raised Funds | 3 | 151,596 | 34,100 | 97,646 |
| International Students | 4 | 2,630 | 3,600 | 11,405 |
| Learning Resources | 5 | 1,964,257 | 1,977,607 | 2,075,623 |
| Administration | 6 | 279,187 | 252,101 | 255,700 |
| Finance Costs | | 3,871 | 2,510 | 3,912 |
| Property | 7 | 1,469,655 | 745,080 | 681,722 |
| Depreciation | 8 | 64,294 | 53,557 | 78,006 |
| Amortisation of Equitable Lease | | 7,580 | 7,600 | 7,580 |
| | | <u>3,943,070</u> | <u>3,076,155</u> | <u>3,211,594</u> |
| Net Surplus / (Deficit) | | 8,523 | (24,303) | 78,473 |
| Other Comprehensive Revenue and Expenses | | - | - | - |
| Total Comprehensive Revenue and Expense for the Year | | <u>8,523</u> | <u>(24,303)</u> | <u>78,473</u> |

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

St Mary's School (Northcote)
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 | 497,708 | 497,708 | 419,235 |
| Total comprehensive revenue and expense for the year Capital Contributions from the Ministry of Education | 8,523 | (24,303) | 78,473 |
| Equity at 31 December | 506,231 | 473,405 | 497,708 |
| Retained Earnings | 506,231 | 473,405 | 497,708 |
| Equity at 31 December | 506,231 | 473,405 | 497,708 |

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

St Mary's School (Northcote)
Statement of Financial Position
As at 31 December 2017

| | Notes | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|---|-------|----------------------|-------------------------------------|----------------------|
| Current Assets | | | | |
| Cash and Cash Equivalents | 9 | 293,007 | 287,159 | 142,069 |
| Accounts Receivable | 10 | 140,090 | 124,477 | 103,141 |
| GST Receivable | | 24,173 | 9,923 | 14,309 |
| Prepayments | | 8,413 | 2,183 | 7,265 |
| Inventories | 11 | 114 | 27,936 | 25,725 |
| Investments | 12 | - | 100,000 | 100,000 |
| | | <hr/> | <hr/> | <hr/> |
| | | 465,797 | 551,678 | 392,509 |
| Current Liabilities | | | | |
| Accounts Payable | 15 | 212,872 | 181,457 | 137,310 |
| Revenue Received in Advance | 16 | 4,793 | 21,144 | 6,997 |
| Provision for Cyclical Maintenance | 17 | 64,432 | 77,500 | 46,504 |
| Finance Lease Liability - Current Portion | 18 | 16,265 | 19,102 | 11,797 |
| Funds held in Trust | 19 | - | 24,540 | - |
| | | <hr/> | <hr/> | <hr/> |
| | | 298,362 | 323,743 | 202,608 |
| Working Capital Surplus/(Deficit) | | 167,435 | 227,935 | 189,901 |
| Non-current Assets | | | | |
| Property, Plant and Equipment | 13 | 219,898 | 114,762 | 255,268 |
| Equitable Leasehold Interest | 14 | 181,746 | 189,326 | 189,326 |
| | | <hr/> | <hr/> | <hr/> |
| | | 401,644 | 304,088 | 444,594 |
| Non-current Liabilities | | | | |
| Provision for Cyclical Maintenance | 17 | 34,155 | 60,744 | 102,748 |
| Finance Lease Liability | 18 | 28,693 | 5,454 | 34,039 |
| | | <hr/> | <hr/> | <hr/> |
| | | 62,848 | 66,198 | 136,787 |
| Net Assets | | <hr/> | <hr/> | <hr/> |
| | | 506,231 | 465,825 | 497,708 |
| Equity | | <hr/> | <hr/> | <hr/> |
| | | 506,231 | 473,405 | 497,708 |

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

St Mary's School (Northcote)
Statement of Cash Flows
For the year ended 31 December 2017

| | 2017 | 2017 | 2016 |
|---|------------------|-----------------------|------------------|
| Note | Actual | Budget (Unaudited) | Actual |
| | \$ | \$ | \$ |
| Cash flows from Operating Activities | | | |
| Government Grants | 721,364 | 653,600 | 733,612 |
| Locally Raised Funds | 264,079 | 124,250 | 221,180 |
| International Students | 10,796 | 26,000 | 37,526 |
| Goods and Services Tax (net) | (9,864) | - | (4,386) |
| Payments to Employees | (363,957) | (376,832) | (437,407) |
| Payments to Suppliers | (314,557) | (405,229) | (350,184) |
| Cyclical Maintenance Payments in the year | (37,534) | - | - |
| Interest Paid | (3,871) | (2,510) | (3,912) |
| Interest Received | 9,245 | 5,000 | 6,216 |
| Net cash from / (to) the Operating Activities | <u>275,701</u> | <u>24,279</u> | <u>202,645</u> |
| Cash flows from Investing Activities | | | |
| Proceeds from Sale of PPE (and Intangibles) | - | - | 3,926 |
| Purchase of PPE (and Intangibles) | (13,181) | - | (22,982) |
| Purchase of Investments | (100,000) | - | (100,000) |
| Net cash from / (to) the Investing Activities | <u>(113,181)</u> | <u>-</u> | <u>(119,056)</u> |
| Cash flows from Financing Activities | | | |
| Finance Lease Payments | (11,582) | - | (14,766) |
| Net cash from Financing Activities | <u>(11,582)</u> | <u>-</u> | <u>(14,766)</u> |
| Net increase/(decrease) in cash and cash equivalents | <u>150,938</u> | <u>24,279</u> | <u>68,823</u> |
| Cash and cash equivalents at the beginning of the year | 9 142,069 | 262,880 | 73,246 |
| Cash and cash equivalents at the end of the year | <u>9 293,007</u> | <u>287,159</u> | <u>142,069</u> |

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been omitted.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

St Mary's School (Northcote)

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

St Mary's School (Northcote) (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 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 18.

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.

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) 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.

j) Investments

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

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

k) 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 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 are depreciated over their estimated useful lives on a straight line 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 | 5-20 years |
| Information and Communication | 3-5 years |
| Library Resources | 8 years |

Leased assets are depreciated over the life of the lease.

l) 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.

m) 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.

n) 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.

o) Revenue Received in Advance

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

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

p) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

q) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building 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 provisions for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).

r) 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.

u) Borrowings

Borrowings are recognised at the amount borrowed. Borrowings are classified as current liabilities unless the School has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

s) 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.

t) Budget Figures

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

u) 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

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Operational grants | 546,671 | 549,200 | 574,283 |
| Teachers' salaries grants | 1,669,926 | 1,683,002 | 1,729,624 |
| Resource teachers learning and behaviour grants | 2,394 | 3,000 | 3,588 |
| Other MoE Grants | 177,446 | 101,400 | 179,173 |
| Other government grants | 2,149 | - | 497 |
| | <u>2,398,586</u> | <u>2,336,602</u> | <u>2,487,165</u> |

3. Locally Raised Funds

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

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Revenue | | | |
| Donations | 88,884 | 70,000 | 95,996 |
| Fundraising | 47,047 | - | - |
| Other revenue | 13 | - | - |
| Trading | 57,149 | 39,350 | 40,192 |
| Activities | 100,718 | 14,900 | 91,121 |
| | <u>293,811</u> | <u>124,250</u> | <u>227,309</u> |
| Expenses | | | |
| Activities | 72,413 | - | 64,978 |
| Trading | 53,066 | 34,100 | 32,668 |
| Fundraising (costs of raising funds) | 26,117 | - | - |
| | <u>151,596</u> | <u>34,100</u> | <u>97,646</u> |
| <i>Surplus for the year Locally raised funds</i> | <u>142,215</u> | <u>90,150</u> | <u>129,663</u> |

4. International Student Revenue and Expenses

| | 2017 Actual Number | 2017 Budget (Unaudited) Number | 2016 Actual Number |
|---|--------------------------|---|--------------------------|
| International Student Roll | 3 | 2 | 10 |
| | | | |
| | | | |
| | | | |
| Revenue | | | |
| International student fees | 10,796 | 26,000 | 37,526 |
| Expenses | | | |
| Commissions | 1,500 | 3,600 | 2,935 |
| International student levy | 598 | - | 970 |
| Employee Benefit - Salaries | 24 | - | 3,532 |
| Other Expenses | 508 | - | 3,968 |
| | <u>2,630</u> | <u>3,600</u> | <u>11,405</u> |
| <i>Surplus for the year International Students'</i> | <u>8,166</u> | <u>22,400</u> | <u>26,121</u> |

5. Learning Resources

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|------------------------------|----------------------|-------------------------------------|----------------------|
| Curricular | 24,269 | 32,645 | 23,874 |
| Library resources | 7,307 | 10,700 | 1,230 |
| Employee benefits - salaries | 1,856,281 | 1,873,902 | 1,977,884 |
| Staff development | 48,710 | 30,000 | 43,502 |
| Equipment & Repairs | 27,690 | 30,360 | 29,133 |
| | <u>1,964,257</u> | <u>1,977,607</u> | <u>2,075,623</u> |

6. Administration

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Audit Fee | 6,094 | 6,094 | 6,004 |
| Board of Trustees Fees | 4,175 | 6,270 | 5,830 |
| Board of Trustees Expenses | 6,498 | 7,583 | 12,559 |
| Communication | 5,505 | 5,180 | 5,581 |
| Consumables | 8,403 | 11,525 | 10,261 |
| Operating Lease | 9,829 | 6,339 | 16,955 |
| Legal Fees | 42,033 | - | - |
| Other | 15,965 | 14,310 | 13,595 |
| Employee Benefits - Salaries | 132,400 | 139,800 | 140,284 |
| Insurance | 3,710 | 4,000 | 4,294 |
| Service Providers, Contractors and Consultancy Interventions | 31,079 | 26,000 | 32,475 |
| | <u>13,496</u> | <u>25,000</u> | <u>7,862</u> |
| | <u>279,187</u> | <u>252,101</u> | <u>255,700</u> |

7. Property

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|-------------------------------------|----------------------|-------------------------------------|----------------------|
| Caretaking and Cleaning Consumables | 51,093 | 50,310 | 54,876 |
| Cyclical Maintenance Expense | 42,959 | 21,946 | 20,400 |
| Grounds | 18,707 | 14,570 | 13,225 |
| Heat, Light and Water | 49,047 | 37,900 | 39,284 |
| Rates | 84 | 89 | 79 |
| Repairs and Maintenance | 16,545 | 7,633 | 11,048 |
| Use of Land and Buildings | 1,239,510 | 560,000 | 490,000 |
| Security | 6,857 | 6,500 | 7,157 |
| Employee Benefits - Salaries | 44,555 | 46,132 | 45,653 |
| Contractors & Consultants | 298 | - | - |
| | <u>1,469,655</u> | <u>745,080</u> | <u>681,722</u> |

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property.

8. Depreciation of Property, Plant and Equipment

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Furniture and Equipment | 29,147 | 20,922 | 30,474 |
| Information and Communication Technology | 13,751 | 15,438 | 22,485 |
| Leased Assets | 18,780 | 14,483 | 21,094 |
| Library Resources | 2,616 | 2,714 | 3,953 |
| | <u>64,294</u> | <u>53,557</u> | <u>78,006</u> |

9. Cash and Cash Equivalents

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Cash on Hand | 60 | - | 120 |
| Bank Current Account | 105,148 | 287,159 | 7,820 |
| Bank Call Account | 87,799 | - | 34,129 |
| ASB 76 | 100,000 | - | - |
| Short-term Bank Deposits | - | - | 100,000 |
| Cash equivalents and bank overdraft for Cash Flow Statement | <u>293,007</u> | <u>287,159</u> | <u>142,069</u> |

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

10. Accounts Receivable

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Receivables | 32,432 | 20,134 | 17,199 |
| Receivables from the Ministry of Education | - | - | 226 |
| Interest Receivable | 632 | 793 | 987 |
| Teacher Salaries Grant Receivable | 107,026 | 103,550 | 84,729 |
| | <u>140,090</u> | <u>124,477</u> | <u>103,141</u> |
| Receivables from Exchange Transactions | 33,064 | 20,927 | 18,186 |
| Receivables from Non-Exchange Transactions | 107,026 | 103,550 | 84,955 |
| | <u>140,090</u> | <u>124,477</u> | <u>103,141</u> |

11. Inventories

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|------------|----------------------|-------------------------------------|----------------------|
| Stationery | 114 | - | - |
| Uniforms | - | 27,936 | 25,725 |
| | <u>114</u> | <u>27,936</u> | <u>25,725</u> |

12. Investments

The School's investment activities are classified as follows:

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|--------------------------|----------------------|-------------------------------------|----------------------|
| Current Asset | | | |
| Short-term Bank Deposits | - | 100,000 | 100,000 |

13. Property, Plant and Equipment

| | Opening Balance (NBV) | Additions | Disposals | Impairment | Depreciation | Total (NBV) |
|------------------------------------|--------------------------|---------------|-----------|------------|-----------------|----------------|
| 2017 | \$ | \$ | \$ | \$ | \$ | \$ |
| Furniture and Equipment | 194,017 | 10,252 | - | - | (29,147) | 175,122 |
| Information and Communication Tech | 14,882 | 6,814 | - | - | (13,751) | 7,945 |
| Leased Assets | 40,076 | 11,858 | - | - | (18,780) | 33,154 |
| Library Resources | 6,293 | - | - | - | (2,616) | 3,677 |
| Balance at 31 December 2017 | 255,268 | 28,924 | - | - | (64,294) | 219,898 |

| | Cost or Valuation | Accumulated Depreciation | Net Book Value |
|------------------------------------|----------------------|-----------------------------|-------------------|
| 2017 | \$ | \$ | \$ |
| Furniture and Equipment | 553,519 | (378,397) | 175,122 |
| Information and Communication | 181,345 | (173,400) | 7,945 |
| Leased Assets | 88,909 | (55,755) | 33,154 |
| Library Resources | 63,930 | (60,253) | 3,677 |
| Balance at 31 December 2017 | 887,703 | (667,805) | 219,898 |

| | Opening Balance (NBV) | Additions | Disposals | Impairment | Depreciation | Total (NBV) |
|------------------------------------|--------------------------|---------------|----------------|------------|-----------------|----------------|
| 2016 | \$ | \$ | \$ | \$ | \$ | \$ |
| Furniture and Equipment | 196,942 | 27,549 | - | - | (30,474) | 194,017 |
| Information and Communication Tech | 36,464 | 903 | - | - | (22,485) | 14,882 |
| Leased Assets | 16,847 | 51,956 | (7,633) | - | (21,094) | 40,076 |
| Library Resources | 10,246 | - | - | - | (3,953) | 6,293 |
| Balance at 31 December 2016 | 260,499 | 80,408 | (7,633) | - | (78,006) | 255,268 |

| | Cost or Valuation | Accumulated Depreciation | Net Book Value |
|------------------------------------|----------------------|-----------------------------|-------------------|
| 2016 | \$ | \$ | \$ |
| Furniture and Equipment | 548,275 | (354,258) | 194,017 |
| Information and Communication | 213,098 | (198,216) | 14,882 |
| Leased Assets | 88,043 | (47,967) | 40,076 |
| Library Resources | 63,930 | (57,637) | 6,293 |
| Balance at 31 December 2016 | 913,346 | (658,078) | 255,268 |

14. Equitable Leasehold Interest

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge over the asset. This equitable leasehold interest represents the board's interest in capital works assets owned by the proprietor but paid for in whole or in part by the Board of Trustees, either from Government funding or from community raised funds.

A lease between the board and the proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. The equitable leasehold interest is amortised over 10-40 years based on the economic life of the capital works asset(s) involved. The interest may be realised on the sale of the capital works by the proprietor or the closure of the school.

The major capital works assets included in the equitable leasehold interest are:

| | 2017 Actual \$ | 2017 Budget \$ | 2016 Actual \$ |
|------------------------|-------------------------------|-------------------------------|-------------------------------|
| Leasehold Improvements | 181,746 | 189,326 | 189,326 |
| | <u>181,746</u> | <u>189,326</u> | <u>189,326</u> |

15. Accounts Payable

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|---------------------------------------|-------------------------------|---|-------------------------------|
| Operating creditors | 93,375 | 72,213 | 45,927 |
| Accruals | 5,094 | - | 4,404 |
| Capital accruals for PPE items | 4,541 | - | - |
| Employee Entitlements - salaries | 107,026 | 103,550 | 84,729 |
| Employee Entitlements - leave accrual | 2,816 | 5,694 | 2,250 |
| Sundry Creditors | 20 | - | - |
| | <u>212,872</u> | <u>181,457</u> | <u>137,310</u> |

| | | | |
|---|----------------|----------------|----------------|
| Payables for Exchange Transactions | 212,872 | 181,457 | 137,310 |
| Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates) | - | - | - |
| Payables for Non-exchange Transactions - Other | - | - | - |
| | <u>212,872</u> | <u>181,457</u> | <u>137,310</u> |

The carrying value of payables approximates their fair value.

16. Revenue Received in Advance

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|-------------------------|-------------------------------|---|-------------------------------|
| Income in Advance | 1,967 | 2,329 | 3,266 |
| Bequest 1 OE Scott | - | 9,305 | - |
| Bequest 2 D Whiteford | - | 2,510 | - |
| Foreign Fees in Advance | 2,826 | 7,000 | 3,731 |
| | <u>4,793</u> | <u>21,144</u> | <u>6,997</u> |

17. Provision for Cyclical Maintenance

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Provision at the Start of the Year | 149,252 | 167,798 | 128,852 |
| Increase to the Provision During the Year | 42,959 | 21,946 | 20,400 |
| Use of the Provision During the Year | (93,624) | (51,500) | - |
| Provision at the End of the Year | <u>98,587</u> | <u>138,244</u> | <u>149,252</u> |
| | | | |
| Cyclical Maintenance - Current | 64,432 | 77,500 | 46,504 |
| Cyclical Maintenance - Term | 34,155 | 60,744 | 102,748 |
| | <u>98,587</u> | <u>138,244</u> | <u>149,252</u> |

18. Finance Lease Liability

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

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| No Later than One Year | 18,083 | 19,102 | 14,307 |
| Later than One Year and no Later than Five Years | 30,256 | 5,454 | 37,419 |
| Future finance charges | (3,381) | - | (5,890) |
| | <u>44,958</u> | <u>24,556</u> | <u>45,836</u> |

19. Funds held in Trust

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Funds Held in Trust on Behalf of Third Parties - Current | - | 24,540 | - |
| Funds Held in Trust on Behalf of Third Parties - Non-current | - | - | - |
| | <u>-</u> | <u>24,540</u> | <u>-</u> |

These funds are held where the school is agent for representative amounts and therefore these are not included in the Statement of Comprehensive Revenue and Expense.

20. 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.

The Proprietor of the School (Catholic Diocese of Auckland) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor that are material transactions that have occurred has been disclosed appropriately.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(c). The estimated value of this use during 2017 is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

21. 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 | 17,671 | 13,692 |
| Full-time equivalent members | 0.15 | 0.15 |
| <i>Leadership Team</i> | | |
| Remuneration | 552,784 | 487,954 |
| Full-time equivalent members | 6.00 | 6.00 |
| Total key management personnel remuneration | <u>570,455</u> | <u>501,646</u> |
| Total full-time equivalent personnel | <u>6.15</u> | <u>6.15</u> |

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 | 120 - 130 |
| Benefits and Other Emoluments | - | - |
| 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 |
|-----------------------|----------------------------|----------------------------|
| 100 - 110 | - | - |
| | <u>0.00</u> | <u>0.00</u> |

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

22. 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:

| | 2017 Actual | 2016 Actual |
|------------------|----------------|----------------|
| Total | \$8,000 | \$7,000 |
| Number of People | 2 | 1 |

23. Contingencies

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

24. Commitments

(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 laptops;

| | 2017 Actual \$ | 2016 Actual \$ |
|--|----------------------|----------------------|
| No later than One Year | - | 3,404 |
| Later than One Year and No Later than Five Years | - | - |
| Later than Five Years | - | - |
| | <hr/> | <hr/> |
| | - | 3,404 |

25. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but "attempts" to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

26. Financial Instruments

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

Loans and receivables

| | 2017 Actual \$ | 2017 Budget (Unaudited) \$ | 2016 Actual \$ |
|-----------------------------|----------------------|-------------------------------------|----------------------|
| Cash and Cash Equivalents | 293,007 | 287,159 | 142,069 |
| Receivables | 140,090 | 124,477 | 103,141 |
| Investments - Term Deposits | - | 100,000 | 100,000 |
| Total Loans and Receivables | <u>433,097</u> | <u>511,636</u> | <u>345,210</u> |

Financial liabilities measured at amortised cost

| | | | |
|--|----------------|----------------|----------------|
| Payables | 212,872 | 181,457 | 137,310 |
| Borrowings - Loans | - | - | - |
| Finance Leases | 44,958 | 24,556 | 45,836 |
| Painting Contract Liability | - | - | - |
| Total Financial Liabilities Measured at Amortised Cost | <u>257,830</u> | <u>206,013</u> | <u>183,146</u> |

27. Events After Balance Date

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

28. Comparative Figures

Some comparative figures have been restated to ensure compliance with the Ministry of Education's Kiwi Park School model