

ONSLOW COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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ONSLOW COLLEGE

Financial Statements - For the year ended 31 December 2016

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Onslow College

Statement of Responsibility

For the year ended 31 December 2016

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

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2016 fairly reflects the financial position and operations of the school.

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

Michael John Deegan

Full Name of Board Chairperson

m j deegan

Signature of Board Chairperson

Peter Davis Leggat

Full Name of Principal

P Leggat

Signature of Principal

29/05/2017

Date:

29/05/2017

Date:

Onslow College
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue				
Government Grants	2	10,983,803	10,830,003	10,738,379
Locally Raised Funds	3	938,784	794,994	948,896
Interest Earned		83,419	80,001	99,140
Gain on Sale of Property, Plant and Equipment		-	-	-
International Students	4	868,537	750,002	734,086
		12,874,543	12,455,000	12,520,501
Expenses				
Locally Raised Funds	3	391,308	355,005	390,455
International Students	4	259,890	249,997	210,708
Learning Resources	5	7,991,513	7,771,995	7,827,931
Administration	6	1,330,725	1,241,940	1,047,313
Finance Costs		5,050	6,000	6,364
Property	7	2,636,952	2,561,981	2,486,598
Depreciation	8	166,870	160,000	160,136
		12,782,308	12,346,918	12,129,505
Net Surplus / (Deficit)		92,235	108,082	390,996
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		92,235	108,082	390,996

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

Onslow College
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2016

	Actual 2016 \$	Budget (Unaudited) 2016 \$	Actual 2015 \$
Balance at 1 January	2,369,848	2,086,934	1,978,852
Total comprehensive revenue and expense for the year	92,235	108,082	390,996
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	26,868	-	-
Equity at 31 December	2,488,951	2,195,016	2,369,848
Retained Earnings	2,488,951	2,195,016	2,369,848
Equity at 31 December	2,488,951	2,195,016	2,369,848

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

Onslow College
Statement of Financial Position
As at 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Current Assets				
Cash and Cash Equivalents	9	132,366	142,000	204,005
Accounts Receivable	10	748,204	850,000	869,553
Prepayments		-	-	42,070
Inventories	11	4,083	5,000	30,052
Investments	12	2,400,581	2,000,000	2,057,809
		3,285,234	2,997,000	3,203,489
Current Liabilities				
GST Payable		119,977	110,000	104,619
Accounts Payable	14	678,439	660,000	769,599
Borrowings - Due in one year	17	-	-	-
Revenue Received in Advance	15	687,268	640,000	625,599
Provision for Cyclical Maintenance	16	125,013	80,000	80,000
Finance Lease Liability - Current Portion	17	504	-	-
Funds held in Trust	18	659,394	670,984	566,417
Funds held for Capital Works Projects	19	-	-	53,114
		2,270,595	2,160,984	2,199,348
Working Capital Surplus/(Deficit)		1,014,639	836,016	1,004,141
Non-current Assets				
Property, Plant and Equipment	13	1,543,754	1,472,000	1,478,832
Intangible Assets	15	-	-	-
		1,543,754	1,472,000	1,478,832
Non-current Liabilities				
Provision for Cyclical Maintenance	16	68,750	113,000	113,125
Finance Lease Liability	17	692	-	-
Funds held in Trust	18	-	-	-
		69,442	113,000	113,125
Net Assets		2,488,951	2,195,016	2,369,848
Equity		2,488,951	2,195,016	2,369,848

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

Onslow College
Statement of Cash Flows
For the year ended 31 December 2016

	Note	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Cash flows from Operating Activities				
Government Grants		2,676,235	2,495,250	2,513,475
Locally Raised Funds		897,730	404,703	1,176,806
Hostel		-	-	
International Students		912,272	1,380,002	882,455
Goods and Services Tax (net)		15,358	135,478	(51,085)
Payments to Employees		(1,901,079)	(1,541,781)	(1,406,147)
Payments to Suppliers		(2,247,775)	(2,272,709)	(2,472,620)
Interest Paid		(5,050)	(6,000)	
Interest Received		87,307	60,893	106,939
Net cash from / (to) the Operating Activities		434,998	655,836	749,823
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	14,015	21,002
Purchase of PPE (and Intangibles)		(230,246)	(890,560)	(230,208)
Purchase of Investments		(342,772)	-	(307,809)
Proceeds from Sale of Investments		-	-	
Net cash from / (to) the Investing Activities		(573,018)	(876,545)	(517,015)
Cash flows from Financing Activities				
Furniture and Equipment Grant		26,868	-	-
Finance Lease Payments		(350)	-	-
Painting contract payments		-	-	-
Loans Received/ Repayment of Loans		-	-	-
Funds Administered on Behalf of Third Parties		39,863	665,984	(246,982)
Net cash from Financing Activities		66,381	665,984	(246,982)
Net increase/(decrease) in cash and cash equivalents		(71,639)	445,275	(14,173)
Cash and cash equivalents at the beginning of the year	9	204,005	530,747	218,178
Cash and cash equivalents at the end of the year	9	132,366	976,022	204,005

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.

Onslow College

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2016

a) Reporting Entity

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

Recognition of grants

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

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.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

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

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

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

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements under section 73 of the Education Act 1989 in relation to the acquisition of securities.

k) Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

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

Property, plant and equipment acquired with individual values under \$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:

Building improvements – Crown	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value

I) Intangible Assets

Software costs

Computer software acquired by the School is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

m) 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.

n) 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.

o) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows

p) Revenue Received in Advance

Revenue received in advance relates to fees received from international 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.

q) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

r) Shared Funds

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

s) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

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

t) 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.

v) 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.

w) Budget Figures

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

x) Services received in-kind

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

2. Government Grants

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Operational grants	2,102,355	2,250,002	2,057,484
Teachers' salaries grants	6,304,971	6,300,000	6,352,063
Use of Land and Buildings grants	2,002,597	2,000,000	1,872,841
Resource teachers learning and behaviour grants	-	-	-
Other MoE Grants	573,880	280,001	455,991
Transport grants	-	-	-
Other government grants	-	-	-
	10,983,803	10,830,003	10,738,379

3. Locally Raised Funds

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

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue			
Donations	430,440	359,997	426,071
Fundraising	29,382	20,000	35,272
Bequests	-	-	-
Other revenue	53,358	24,999	62,514
Transport Revenue	-	-	-
Trading	106,101	110,000	113,937
Activities	235,786	244,998	267,986
Curriculum Recoveries	83,717	35,000	43,116
	938,784	794,994	948,896
Expenses			
Activities	305,982	285,001	327,504
Trading	83,100	65,004	59,382
Fundraising (costs of raising funds)	2,226	5,000	3,569
Transport (local)	-	-	-
Other Locally Raised Funds Expenditure	-	-	-
	391,308	355,005	390,455
<i>Surplus for the year Locally raised funds</i>	547,476	439,989	558,441

4. International Student Revenue and Expenses

	2016 Actual Number	2016 Budget (Unaudited) Number	2015 Actual Number
International Student Roll	76	65	64
Revenue			
International student fees	\$ 668,537	\$ 750,002	\$ 734,086
Expenses			
Advertising	24,361	15,000	11,399
Commissions	150,515	150,000	114,787
Recruitment	-	-	-
International student levy	-	-	-
Employee Benefit - Salaries	-	-	-
Other Expenses	85,014	84,997	84,522
	259,890	249,997	210,708
<i>Surplus for the year International Students'</i>	608,647	500,005	523,378

5. Learning Resources

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Curricular	505,396	517,496	524,182
Equipment repairs	14,588	17,501	15,662
Information and communication technology	65,674	49,999	68,401
Extra-curricular activities	-	-	-
Library resources	91	11,999	10,117
Employee benefits - salaries	7,149,072	6,909,999	6,919,395
Resource/attached teacher costs	226,342	219,999	252,671
Staff development	30,350	45,002	37,503
	7,991,513	7,771,995	7,827,931

6. Administration

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Audit Fee	8,600	8,600	7,286
Board of Trustees Fees	1,950	2,499	2,625
Board of Trustees Expenses	16,179	4,999	5,449
Communication	35,276	54,998	47,466
Consumables	18,283	12,999	526
Operating Lease	112,469	139,997	69,352
Legal Fees	-	9,996	-
Other	61,170	122,852	83,458
Employee Benefits - Salaries	917,228	730,000	704,054
Insurance	33,939	45,000	25,046
Service Providers, Contractors and Consultancy	125,631	110,000	102,051
	1,330,725	1,241,940	1,047,313

7. Property

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Caretaking and Cleaning Consumables	35,463	17,003	16,606
Consultancy and Contract Services	201,407	192,501	188,974
Cyclical Maintenance Provision	1,222	-	34,375
Grounds	-	-	-
Heat, Light and Water	96,688	69,977	98,999
Rates	7,252	7,500	6,614
Repairs and Maintenance	139,350	120,000	130,547
Use of Land and Buildings	2,002,597	2,000,000	1,872,841
Security	-	-	-
Employee Benefits - Salaries	152,973	135,000	137,642
	2,636,952	2,561,981	2,486,598

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

8. Depreciation of Property, Plant and Equipment

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Buildings - School	22,883	160,000	22,842
Building Improvements - Crown	-	-	-
Furniture and Equipment	67,955	-	55,570
Information and Communication Technology	52,920	-	63,892
Motor Vehicles	5,935	-	1,979
Textbooks	8,837	-	8,197
Leased Assets	387	-	-
Library Resources	7,953	-	7,656
	166,870	160,000	160,136

9. Cash and Cash Equivalents

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Cash on Hand	2,122	2,000	1,902
Bank Current Account	132,829	140,000	142,563
Bank Call Account	210	-	59,540
Short-term Bank Deposits	-	-	-
Bank Overdraft	(2,795)	-	-
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	132,366	142,000	204,005

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

10. Accounts Receivable

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Receivables	290,575	230,000	231,587
Receivables from the Ministry of Education	-	-	-
Provision for Uncollectibility	-	-	-
Interest Receivable	19,319	20,000	23,207
Teacher Salaries Grant Receivable	438,310	600,000	614,759
	748,204	850,000	869,553
Receivables from Exchange Transactions	309,894	250,000	254,794
Receivables from Non-Exchange Transactions	438,310	600,000	614,759
	748,204	850,000	869,553

11. Inventories

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Stationery	4,083	5,000	6,500
School Uniforms	-	-	23,562
	4,083	5,000	30,052

12. Investments

The School's investment activities are classified as follows:

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Current Asset			
Short-term Bank Deposits	2,400,581	2,000,000	2,057,809
Non-current Asset			
Long-term Bank Deposits	-	-	-

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

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2016						
Land	-				-	-
Buildings	783,921	24,224		(22,883)		785,262
Building Improvements	-			-		-
Furniture and Equipment	472,769	102,002		(67,955)		506,816
Information and Communication	120,696	91,167		(52,920)		158,943
Motor Vehicles	27,699			(5,935)		21,764
Textbooks	10,932	3,075		(8,837)		5,170
Leased Assets	-	1,546		(387)		1,159
Library Resources	62,815	9,779		(7,953)		64,641
Balance at 31 December 2016	1,478,832	231,793	-	(166,870)		1,543,755

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2016			
Land	-	-	-
Buildings	1,166,256	(380,994)	785,262
Building Improvements			-
Furniture and Equipment	1,004,046	(497,230)	506,816
Information and Communication	1,064,168	(905,225)	158,943
Motor Vehicles	29,678	(7,914)	21,764
Textbooks	123,066	(117,897)	5,169
Leased Assets	1,546	(387)	1,159
Library Resources	194,577	(129,936)	64,641
Balance at 31 December 2016	3,583,337	(2,039,583)	1,543,754

2015	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	806,763	-	-	-	-	806,763
Buildings				-	(22,842)	(22,842)
Building Improvements				-	-	-
Furniture and Equipment	362,203	166,136	-	-	(55,570)	472,769
Information and Communication Technology	181,260	3,328	-	-	(63,892)	120,696
Motor Vehicles	-	29,678	-	-	(1,979)	27,699
Textbooks	19,129		-	-	(8,197)	10,932
Leased Assets				-	-	-
Library Resources	60,406	10,065	-	-	(7,656)	62,815
Balance at 31 December 2015	1,429,761	209,207	-	(160,136)		1,478,832

Accumulated Depreciation

2015	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	-	-	-
Buildings	1,142,032	(358,111)	783,921
Building Improvements		-	-
Furniture and Equipment	902,044	(429,275)	472,769
Information and Communication Technology	973,001	(852,305)	120,696
Motor Vehicles	29,678	(1,979)	27,699
Textbooks	119,992	(109,060)	10,932
Leased Assets	-	-	-
Library Resources	184,798	(121,983)	62,815
Balance at 31 December 2015	3,351,545	(1,872,713)	1,478,832

Possible Future Building Impairment

The school is currently in discussion with the Ministry regarding weather-tightness issues in the Admin Block. At this time it is uncertain as to what action will be taken to remedy the situation, however because the school has a financial interest of \$192,757 in the Admin Block (which is included in the Property, Plant and Equipment balance for "Buildings" of \$785,262.) there may need to be an impairment adjustment to this balance once it becomes more clear as to what action will be taken. In the event the Admin Block was to be demolished, the school would need to expense any loss, after any insurance or Ministry negotiated recoveries were established.

14. Accounts Payable

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Operating creditors	78,361	80,000	87,255
Accruals	95,956	20,000	14,996
Capital accruals for PPE items	-	-	-
Banking staffing overuse	-	-	-
Employee Entitlements - salaries	438,310	500,000	614,759
Employee Entitlements - leave accrual	65,812	60,000	52,589
	678,439	660,000	769,599
Payables for Exchange Transactions	678,439	660,000	769,599
	678,439	660,000	769,599

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Grants in Advance - Ministry of Education	-	-	-
International Student Fees	663,044	630,000	619,309
Hostel Fees	-	-	-
Other	24,224	10,000	6,290
	687,268	640,000	625,599

16. Provision for Cyclical Maintenance

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Provision at the Start of the Year	193,125	193,125	158,750
Increase to the Provision During the Year	1,222	-	34,375
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	194,347	193,125	193,125
Cyclical Maintenance - Current	125,013	80,000	80,000
Cyclical Maintenance - Term	68,750	113,000	113,125
	193,763	193,000	193,125

17. Finance Lease Liability

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

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
No Later than One Year	504	-	-
Later than One Year and no Later than Five Years	692	-	-
Later than Five Years			
	1,196	-	-

18. Funds held in Trust

	2016 Actual	2016 Budget (Unaudited)	2015 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	659,394	670,984	566,417
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	659,394	670,984	566,417

The majority of these funds are held in trust for international students' homestay and personal expenses. The remainder is made up funds relating to other school activities like overseas trips and the PTA.

19. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

	2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Block I - Improvements and Modernisat completed	53,114	447,382	(524,720)	24,224	-	-
Totals	53,114	447,382	(524,720)	24,224	-	-

Represented by:

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

	2015	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Special Needs Access Modifications completed	2,431	-	2,431	-	-	-
Block I - Improvements and Modernisat in progress	365,826	755,781	1,068,492	-	-	53,114
Totals	368,257	755,781	1,070,923	-	-	53,114

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.

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.

	2016 Actual	2015 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	1,950	2,625
Full-time equivalent members	0.45	0.45
<i>Leadership Team</i>		
Remuneration	478,653	479,339
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	<u>480,603</u>	<u>481,964</u>
Total full-time equivalent personnel	<u>4.45</u>	<u>4.45</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:

	2016 Actual	2015 Actual
	\$000	\$000
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	160 - 170	160 - 170

Other Employees

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

Remuneration	2016	2015
\$000	FTE Number	FTE Number
110 - 120	1.00	
100 - 110	3.00	2.00
	<hr/> <u>3.00</u>	<hr/> <u>3.00</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:

	2016 Actual	2015 Actual
Total	-	-
Number of People	-	-

23. Contingencies

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

24. Commitments

(a) Capital Commitments

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

Nil

Capital commitments at 31 December 2015:

(a) \$548,703.53 contract to have classrooms upgraded as agent for the Ministry of Education. This project is fully funded by the Ministry and \$141,451 has been received of which \$30,493.50 has been spent on the project to balance date. This project has been approved by the Ministry.

(b) Operating Commitments

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

(a) operating lease of a photocopier;

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

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Cash and Cash Equivalents	132,366	142,000	204,005
Receivables	748,204	850,000	869,553
Investments - Term Deposits	2,400,581	2,000,000	2,057,809
Total Cash and Receivables	3,281,151	2,992,000	3,131,367

Financial Liabilities measured at amortised cost

Payables	678,439	660,000	769,599
Borrowings - Loans	-	-	-
Finance Leases	1,196	-	-
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	679,635	660,000	769,599

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 financial statements. Compliance with the model is compulsory. This change does not materially alter the financial statements.