

Waiheke High School

Financial Statements for the year ended 31 December 2016

School Address:	11 Donald Bruce Road, Waiheke Island
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Ministry Number:	530

Waiheke High School

Financial Statements

For the year ended 31 December 2016

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Waiheke High School
Statement of Responsibility
For the year ended 31 December 2016

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

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

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

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

Andrew Walters
Full Name of Board Chairperson

AW Walters
Signature of Board Chairperson

31. 5. 17
Date:

JUDITH ELIZABETH YOUNG
Full Name of Principal

J. E. Young
Signature of Principal

31.5.17
Date:

Waiheke High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue				
Government Grants	2	5,268,782	5,393,409	5,182,104
Locally Raised Funds	3	534,961	261,248	518,375
Interest Earned		44,844	47,000	55,213
International Students	4	244,045	268,250	346,674
		6,092,632	5,969,907	6,102,366
Expenses				
Locally Raised Funds	3	328,546	166,500	380,999
International Students	4	158,385	161,900	182,105
Learning Resources	5	3,827,856	3,544,026	3,661,597
Administration	6	298,980	289,538	280,542
Property	7	1,046,386	1,528,400	1,485,263
Depreciation	8	156,535	179,000	142,318
Loss on Disposal of Property, Plant and Equipment		778	-	443
		5,817,466	5,869,364	6,133,267
Net Surplus / (Deficit)		275,166	100,543	(30,901)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		275,166	100,543	(30,901)

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

Waiheke High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2016

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Balance at 1 January	<u>1,429,748</u>	<u>1,608,748</u>	<u>1,421,649</u>
Total comprehensive revenue and expense for the year	275,166	100,543	(30,901)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	42,036	-	39,000
Equity at 31 December	<u>1,746,950</u>	<u>1,709,291</u>	<u>1,429,748</u>
Retained Earnings	1,746,950	1,709,291	1,429,748
Equity at 31 December	<u>1,746,950</u>	<u>1,709,291</u>	<u>1,429,748</u>

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

Waiheke High School

Statement of Financial Position

As at 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Current Assets				
Cash and Cash Equivalents	9	657,112	396,207	621,941
Accounts Receivable	10	246,217	293,500	300,203
GST Receivable		7,699	5,000	5,104
Prepayments		17,783	15,000	18,824
Inventories	11	85,212	80,000	95,448
Investments	12	919,954	770,000	764,240
		<u>1,933,977</u>	<u>1,559,707</u>	<u>1,805,760</u>
Current Liabilities				
Accounts Payable	14	385,938	364,500	354,068
Revenue Received in Advance	15	391,833	160,000	395,006
Provision for Cyclical Maintenance	16	139,836	281,104	281,015
Finance Lease Liability - Current Portion	17	5,700	-	-
		<u>923,307</u>	<u>805,604</u>	<u>1,030,089</u>
Working Capital Surplus/(Deficit)		1,010,670	754,103	775,671
Non-current Assets				
Property, Plant and Equipment	13	831,132	958,070	779,070
		<u>831,132</u>	<u>958,070</u>	<u>779,070</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	85,961	2,882	124,993
Finance Lease Liability	17	8,891	-	-
		<u>94,852</u>	<u>2,882</u>	<u>124,993</u>
Net Assets		<u><u>1,746,950</u></u>	<u><u>1,709,291</u></u>	<u><u>1,429,748</u></u>
Equity		<u><u>1,746,950</u></u>	<u><u>1,709,291</u></u>	<u><u>1,429,748</u></u>

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

Waiheke High School

Statement of Cash Flows

For the year ended 31 December 2016

	2016	2016	2015
Note	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Cash flows from Operating Activities			
Government Grants	1,311,775	1,293,409	1,150,891
Locally Raised Funds	476,836	431,248	560,606
Hostel	3,175	-	-
International Students	289,236	8,250	242,530
Goods and Services Tax (net)	(2,595)	(2,500)	(2,663)
Payments to Employees	(657,603)	(603,450)	(545,859)
Payments to Suppliers	(1,116,458)	(1,387,425)	(1,283,756)
Interest Received	36,825	58,500	69,468
Net cash from / (to) the Operating Activities	341,191	(201,968)	191,217
Cash flows from Investing Activities			
Proceeds from Sale of PPE (and Intangibles)	1,348	20,000	14,082
Purchase of PPE (and Intangibles)	(192,983)	(373,766)	(192,609)
Purchase of Investments	(155,714)	-	-
Proceeds from Sale of Investments	-	330,000	332,671
Net cash from / (to) the Investing Activities	(347,349)	(23,766)	154,144
Cash flows from Financing Activities			
Furniture and Equipment Grant	42,036	-	39,000
Finance Lease Payments	(707)	-	-
Net cash from Financing Activities	41,329	-	39,000
Net increase/(decrease) in cash and cash equivalents	35,171	(225,734)	384,361
Cash and cash equivalents at the beginning of the year	9	621,941	621,941
Cash and cash equivalents at the end of the year	9	657,112	396,207
		621,941	

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.

Waiheke High School

Notes to the Financial Statements

For the year ended 31 December 2016

1. Statement of Accounting Policies

Reporting Entity

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

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.

Waiheke High School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

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.

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.

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.

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.

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.

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.

Waiheke High School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

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.

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.

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.

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 \$250 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.

Waiheke High School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

Depreciation

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

The estimated useful lives of the assets are:

Buildings - School	10-40 years
Furniture and equipment	5-10 years
Information and communication technology	5 years
Motor vehicles	10 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

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.

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.

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

Waiheke High School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

Revenue Received in Advance

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

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).

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.

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.

Budget Figures

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

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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

2 Government Grants

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Operational grants	1,098,050	1,104,561	1,004,331
Teachers' salaries grants	3,235,337	3,000,000	3,128,410
Use of Land and Buildings grants	716,662	1,100,000	852,661
Other MoE Grants	112,618	89,928	97,703
Other government grants	106,115	98,920	98,999
	<u>5,268,782</u>	<u>5,393,409</u>	<u>5,182,104</u>

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	35,125	52,000	41,624
Fundraising	1,117	-	787
Trading	46,951	43,500	43,449
Activities	329,182	100,600	293,982
Curriculum Recoveries	122,586	65,148	138,533
	<u>534,961</u>	<u>261,248</u>	<u>518,375</u>
Expenses			
Activities	286,375	126,500	333,716
Trading	41,115	40,000	46,627
Fundraising (costs of raising funds)	1,056	-	656
	<u>328,546</u>	<u>166,500</u>	<u>380,999</u>
	<u>206,415</u>	<u>94,748</u>	<u>137,376</u>

Surplus for the year Locally Raised Funds

4 International Student Revenue and Expenses

	2016 Actual Number	2016 Budget (Unaudited) Number	2015 Actual Number
International Student Roll (FTE)	18	0	24

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue			
International student fees	244,045	268,250	346,674
Expenses			
Advertising	9,060	12,000	11,619
Commissions	32,842	35,000	47,777
International student levy	6,030	9,000	9,897
Employee Benefit - Salaries	52,170	48,400	36,594
Other Expenses	58,283	57,500	76,218
	<u>158,385</u>	<u>161,900</u>	<u>182,105</u>
	<u>85,660</u>	<u>106,350</u>	<u>164,569</u>

Surplus for the year International Students'

Waiheke High School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

5 Learning Resources

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	289,159	240,386	324,616
Information and communication technology	19,999	10,500	22,756
Library resources	1,977	2,100	2,103
Employee benefits - salaries	3,473,517	3,238,550	3,282,474
Staff development	43,204	52,490	29,648
	<u>3,827,856</u>	<u>3,544,026</u>	<u>3,661,597</u>

6 Administration

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	9,220	9,420	9,430
Board of Trustees Fees	4,945	3,850	3,555
Board of Trustees Expenses	4,888	5,200	1,156
Communication	21,928	20,600	21,445
Consumables	1,231	(23,200)	(9,368)
Operating Lease	-	24,000	13,124
Other	41,103	34,800	32,991
Employee Benefits - Salaries	196,108	195,000	188,661
Insurance	13,089	13,400	13,380
Service Providers, Contractors and Consultancy	6,468	6,468	6,168
	<u>298,980</u>	<u>289,538</u>	<u>280,542</u>

7 Property

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	23,529	20,000	26,835
Consultancy and Contract Services	1,320	1,000	977
Cyclical Maintenance Provision	(83,956)	70,000	253,724
Grounds	42,825	21,000	28,448
Heat, Light and Water	90,056	75,300	88,307
Repairs and Maintenance	83,720	76,600	67,771
Use of Land and Buildings	716,662	1,100,000	852,661
Employee Benefits - Salaries	172,230	164,500	166,540
	<u>1,046,386</u>	<u>1,528,400</u>	<u>1,485,263</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. 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.

Waiheke High School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

8 Depreciation of Property, Plant and Equipment

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Buildings - School	15,404	15,000	13,904
Furniture and Equipment	73,823	89,000	54,540
Information and Communication Technology	54,622	50,000	49,536
Motor Vehicles	5,630	20,000	20,330
Leased Assets	2,912	-	-
Library Resources	4,144	5,000	4,008
	<u>156,535</u>	<u>179,000</u>	<u>142,318</u>

9 Cash and Cash Equivalents

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Cash on Hand	450	450	450
Bank Current Account	176,412	360,757	588,832
Bank Call Account	22,654	35,000	32,659
Short-term Bank Deposits	457,596	-	-
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>657,112</u>	<u>396,207</u>	<u>621,941</u>

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

10 Accounts Receivable

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Receivables	34,343	20,000	27,757
Receivables from the Ministry of Education	-	-	8,442
Interest Receivable	11,726	3,500	3,707
Teacher Salaries Grant Receivable	200,148	270,000	260,297
	<u>246,217</u>	<u>293,500</u>	<u>300,203</u>
Receivables from Exchange Transactions	46,069	23,500	31,464
Receivables from Non-Exchange Transactions	200,148	270,000	268,739
	<u>246,217</u>	<u>293,500</u>	<u>300,203</u>

11 Inventories

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Stationery	2,205	-	1,964
School Uniforms	80,184	80,000	92,045
Canteen	2,823	-	1,439
	<u>85,212</u>	<u>80,000</u>	<u>95,448</u>

12 Investments

The School's investment activities are classified as follows:

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	919,954	770,000	764,240

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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

13 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2016						
Land	60,000	-	-	-	-	60,000
Buildings	220,598	20,344	-	-	(15,404)	225,538
Furniture and Equipment	308,428	101,675	-	-	(73,823)	336,280
Information and Communication Technology	129,433	50,751	-	-	(54,622)	125,562
Motor Vehicles	32,557	12,995	-	-	(5,630)	39,922
Leased Assets	-	17,740	-	-	(2,912)	14,828
Library Resources	28,054	7,218	(2,126)	-	(4,144)	29,002
Balance at 31 December 2016	779,070	210,723	(2,126)	-	(156,535)	831,132

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2016			
Land	60,000	-	60,000
Buildings	432,684	(207,146)	225,538
Furniture and Equipment	1,400,537	(1,064,257)	336,280
Information and Communication Technology	621,911	(496,349)	125,562
Motor Vehicles	60,700	(20,778)	39,922
Leased Assets	145,310	(130,482)	14,828
Library Resources	73,162	(44,160)	29,002
Balance at 31 December 2016	2,794,304	(1,963,172)	831,132

The Board considers that no assets have suffered an impairment during the year.

The net carrying value of equipment held under a finance lease is \$14,828.

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2015						
Land	60,000	-	-	-	-	60,000
Buildings	234,502	-	-	-	(13,904)	220,598
Furniture and Equipment	260,806	113,899	(11,737)	-	(54,540)	308,428
Information and Communication Technology	108,093	70,876	-	-	(49,536)	129,433
Motor Vehicles	53,202	-	(315)	-	(20,330)	32,557
Library Resources	26,701	7,834	(2,473)	-	(4,008)	28,054
Balance at 31 December 2015	743,304	192,609	(14,525)	-	(142,318)	779,070

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2015			
Land	60,000	-	60,000
Buildings	412,340	(191,742)	220,598
Furniture and Equipment	1,330,549	(1,022,121)	308,428
Information and Communication Technology	621,985	(492,552)	129,433
Motor Vehicles	47,705	(15,148)	32,557
Leased Assets	127,570	(127,570)	-
Library Resources	71,349	(43,295)	28,054
Balance at 31 December 2015	2,671,498	(1,892,428)	779,070

Waiheke High School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

14 Accounts Payable

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Operating creditors	141,256	51,500	50,322
Employee Entitlements - salaries	201,233	313,000	260,297
Employee Entitlements - leave accrual	43,449	-	43,449
	<u>385,938</u>	<u>364,500</u>	<u>354,068</u>
Payables for Exchange Transactions	385,938	364,500	354,068
	<u>385,938</u>	<u>364,500</u>	<u>354,068</u>

The carrying value of payables approximates their fair value.

15 Revenue Received in Advance

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
International Student Fees	203,955	-	158,764
Hostel Fees	150,906	-	147,731
Other	36,972	160,000	88,511
	<u>391,833</u>	<u>160,000</u>	<u>395,006</u>

16 Provision for Cyclical Maintenance

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Provision at the Start of the Year	406,008	406,008	157,593
Increase to the Provision During the Year	(83,956)	70,000	253,724
Use of the Provision During the Year	(96,255)	(192,022)	(5,309)
Provision at the End of the Year	<u>225,797</u>	<u>283,986</u>	<u>406,008</u>
Cyclical Maintenance - Current	139,836	281,104	281,015
Cyclical Maintenance - Term	85,961	2,882	124,993
	<u>225,797</u>	<u>283,986</u>	<u>406,008</u>

17 Finance Lease Liability

The school has entered into a number of finance lease agreements for Tela Laptops
Minimum lease payments payable (includes interest portion):

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
No Later than One Year	6,762	-	-
Later than One Year and no Later than Five Years	9,560	-	-
Later than Five Years	-	-	-
	<u>16,322</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

18 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 \$
Totals		-	-	-	-	-

	2015	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M) \$	Closing Balances \$
Food room roof	<i>completed</i>	-	6,300	6,300	-	-
5YA		-	8,443	8,443	-	-
Totals		-	14,743	14,743	-	-

19 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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

20 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	4,945	3,555
Full-time equivalent members	0.26	0.11
<i>Leadership Team</i>		
Remuneration	432,671	397,466
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	437,616	401,021
Total full-time equivalent personnel	4.26	4.11

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

	2016 Actual \$000	2015 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130-140	130-140
Benefits and Other Emoluments	1-10	1-10
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2016 FTE Number	2015 FTE Number
110-120	2	-
	2.00	0.00

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

21 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

22 Contingencies

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

(Contingent liabilities and assets as at 31 December 2015: nil)

23 Commitments

(a) Capital Commitments

The Board considers there to be no contractual commitments at the above date other than those disclosed in the preceding financial statements and detailed below.

(Capital commitments as at 31 December 2015: nil)

(b) Operating Commitments

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

- operating lease for Tela Laptops

	2016 Actual \$	2015 Actual \$
No later than One Year	36,477	19,667
Later than One Year and No Later than Five Years	50,171	18,394
Later than Five Years	-	-
	86,648	38,061

24 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.

25 Financial Instruments

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

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Loans and receivables			
Cash and Cash Equivalents	657,112	396,207	621,941
Receivables	246,217	293,500	300,203
Investments - Term Deposits	919,954	770,000	764,240
Total Loans and Receivables	1,823,283	1,459,707	1,686,384
Financial liabilities measured at amortised cost			
Payables	385,938	364,500	354,068
Finance Leases	14,591	-	-
Total Financial Liabilities Measured at Amortised Cost	400,529	364,500	354,068

26 Events After Balance Date

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

27 Prior Year Comparatives

Comparative figures included in the financial statements relate to the financial year ended 31 December 2015. Where necessary these figures have been reclassified on a basis consistent with current disclosure for the year ended 31 December 2016.

Waiheke High School

Members of the Board of Trustees

Name	Position	How position on Board gained	Occupation	Term expired/expires
John Stensfield	Parent Rep	Re elected April 2013	Head of Dept Unitec	April 2016
Robyn Woodall	Parent Rep	Re-Elected April 2016	Administrator	April 2019
Maree O'Brien	Parent Rep	Re-Elected April 2016	Accountant	April 2019
Andrew Walters	Chairperson	Re-Elected April 2016	Project Manager	April 2019
Helen Wilkinson	Parent Rep	Elected April 2013	Health Services	April 2016
Dave Kennedy	Staff Rep	Elected April 2013	Teacher	April 2016
Paroa Toi Te Rangiuaa	Co-opted	Re-Elected April 2016	Artist	April 2019
Jude Young	Principal	Elected January 2014	Principal	
Eva Blok	Student Rep	Re-Elected Sept 2016	Student	September 2017
Lisa Smith	Whanau Rep	Re Co-opted Sept 2016		April 2019
Emma Musson	Staff Rep	Elected May 2016	Teacher	April 2019
Rebecca Goodenough	Parent Rep	Elected April 2016		April 2019
Gary Wilton	Parent Rep	Elected April 2016		April 2019

Kiwisport Disclosure

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2016, the school received total Kiwisport funding of \$9,934.46 (excluding GST).

A handwritten signature in black ink, appearing to be 'J. E. King', written in a cursive style.