

Southcity Christian School

Financial Statements

for the year ended 31 December 2017

School Address:	137 Collins Road, Deanwell, Hamilton
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Ministry Number:	4125

Southcity Christian School

Financial Statements

for the year ended 31 December 2017

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Southcity Christian School

Statement of Responsibility

for the year ended 31 December 2017

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

Stephen John King
Full Name of Board Chairperson

Beverley Anne Bishop
Full Name of Principal

[Signature]
Signature of Board Chairperson

[Signature]
Signature of Principal

8 May 2018
Date

8 May 2018
Date

Southcity Christian School

Statement of Comprehensive Revenue and Expense

for the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue				
Government grants	2	847,546	655,216	764,162
Locally raised funds	3	26,122	25,800	20,893
Used of land and buildings - Integrated		211,280	250,000	211,280
Interest earned		5,700	3,000	3,653
		<u>1,090,648</u>	<u>934,016</u>	<u>999,988</u>
Expenses				
Locally raised funds	3	8,402	14,200	9,791
Learning resources	4	710,711	531,888	601,929
Administration	5	59,018	62,769	60,273
Finance costs		763	518	394
Property	6	278,420	327,640	284,835
Depreciation	7	15,604	17,809	16,984
Loss on disposal of Property, plant and equipment		61	-	1,424
		<u>1,072,979</u>	<u>954,824</u>	<u>975,630</u>
Net Surplus / (Deficit) for the year		<u>17,669</u>	<u>(20,808)</u>	<u>24,358</u>
Other comprehensive revenue and expenses		-	-	-
Total comprehensive revenue and expense for the year		<u><u>17,669</u></u>	<u><u>(20,808)</u></u>	<u><u>24,358</u></u>

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



Southcity Christian School

Statement of Changes in Net Assets / Equity

for the year ended 31 December 2017

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Balance at 1 January	<u>175,633</u>	<u>175,633</u>	<u>151,275</u>
Total comprehensive revenue and expense for the year	17,669	(20,808)	24,358
Equity at 31 December	<u><u>193,302</u></u>	<u><u>154,825</u></u>	<u><u>175,633</u></u>
Retained Earnings	193,302	154,825	175,633
Reserves	-	-	-
Equity at 31 December	<u><u>193,302</u></u>	<u><u>154,825</u></u>	<u><u>175,633</u></u>

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



Southcity Christian School

Statement of Financial Position

as at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and cash equivalents	8	69,952	61,187	84,121
Accounts receivable	9	39,014	30,059	30,059
GST receivable		2,967	1,684	1,684
Prepayments		2,040	1,082	1,082
Inventories	10	8,429	7,371	7,371
Investments	11	118,205	76,000	76,000
		<u>240,607</u>	<u>177,383</u>	<u>200,317</u>
Current Liabilities				
Accounts payable	13	48,013	39,204	39,204
Provision for cyclical maintenance	14	1,000	-	3,000
Finance lease liability - current portion	15	4,042	2,055	2,055
		<u>53,055</u>	<u>41,259</u>	<u>44,259</u>
Working Capital Surplus				
		187,552	136,124	156,058
Non Current Assets				
Property, plant and equipment	12	51,922	62,057	59,057
Non Current Liabilities				
Provision for cyclical maintenance	14	41,340	41,640	35,710
Finance lease liability	15	4,832	1,716	3,772
		<u>46,172</u>	<u>43,356</u>	<u>39,482</u>
Net Assets				
		<u>193,302</u>	<u>154,825</u>	<u>175,633</u>
Equity				
		<u>193,302</u>	<u>154,825</u>	<u>175,633</u>

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



Southcity Christian School

Statement of Cash Flows

for the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government grants		224,566	204,558	242,038
Locally raised funds		26,122	25,800	21,140
Goods and Services Tax (net)		(1,283)	-	1,313
Payments to employees		(109,607)	(91,181)	(104,231)
Payments to suppliers		(110,383)	(142,537)	(111,932)
Cyclical maintenance payments in the year		-	-	-
Interest paid		(763)	(518)	(394)
Interest received		4,867	3,000	3,654
Net cash from / (to) the operating activities		33,519	(878)	51,588
Cash flows from Investing Activities				
Proceeds from sale of PPE (and Intangibles)		-	-	-
Purchase of PPE (and Intangibles)		(2,522)	(20,000)	(19,277)
Purchase of investments		(42,205)	-	(63,110)
Proceeds from sale of investments		-	-	-
Net cash from / (to) the investing activities		(44,727)	(20,000)	(82,387)
Cash flows from Financing Activities				
Furniture and equipment grant		-	-	-
Finance lease payments		(2,961)	(2,056)	(1,439)
Painting contract payments		-	-	-
Loans received/ Repayment of loans		-	-	-
Funds administered on behalf of third parties		-	-	-
Net cash from Financing Activities		(2,961)	(2,056)	1,439
Net increase/(decrease) in cash and cash equivalents		(14,169)	(22,934)	(32,238)
Cash and cash equivalents at the beginning of the year	8	84,121	84,121	116,359
Cash and cash equivalents at the end of the year	8	69,952	61,187	84,121

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 excluded.

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



Southcity Christian School

Notes to the Financial Statements

for the year ended 31 December 2017

1. Statement of Accounting Policies

a) Reporting entity

Southcity Christian 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 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 lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of 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 12.

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 operating or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 15.

Recognition of grants

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

c) Revenue Recognition

Government grants

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

Operational grants are recorded as revenue when the School has 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.

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 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 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 the 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 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.

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 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 Proprietor are recorded at cost, less accumulated depreciation and impairment losses.

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

Property, plant and equipment acquired with individual values under \$500 are not capitalised. They are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Furniture and equipment	10 - 15 years
Information and communication technology	5 years
Leased assets held under a finance lease	4 years
Other equipment	10 years
Library resources	12.5% diminishing value

l) 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 and licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software with individual values under \$500 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. It's 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 estimated useful life. The useful life of software is estimated as five 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 and annual leave earned but not yet taken at balance date.

p) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Proprietor. 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 the day-to-day maintenance. The provision for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's 10 year property plan (10YPP).



q) 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.

r) 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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

t) Services Received In-Kind

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



	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
2. Government grants			
Operational grants	213,323	190,000	199,684
Teachers' salaries grants	614,858	450,658	533,496
Other MOE grants	19,365	14,558	30,982
	<u>847,546</u>	<u>655,216</u>	<u>764,162</u>

3. Locally raised funds

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

Revenue

Donations	804	200	210
Fundraising	2,110	2,000	3,146
Other revenue	1,121	2,500	2,129
Activities	10,302	9,400	3,200
Trading	9,884	9,500	10,374
Contributions - Proprietor	1,901	2,200	1,834
	<u>26,122</u>	<u>25,800</u>	<u>20,893</u>

Expenses

Fundraising (costs of raising funds)	1,190	1,000	1,625
Trading	7,212	13,200	8,166
	<u>8,402</u>	<u>14,200</u>	<u>9,791</u>

Surplus (deficit) for the year locally raised funds

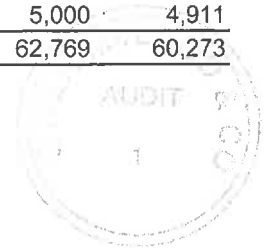
	<u>17,720</u>	<u>11,600</u>	<u>11,102</u>
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4. Learning resources

Curricular	7,189	11,180	9,904
Information and communication technology	3,715	4,000	2,764
Extra-curricular activities	10,329	9,550	2,966
Library resources	377	500	523
Employee benefits - salaries	685,134	494,658	582,662
Staff development	3,967	12,000	3,110
	<u>710,711</u>	<u>531,888</u>	<u>601,929</u>

5. Administration

Audit fees	3,200	3,200	3,100
Board of Trustees fees	3,480	4,400	3,850
Board of Trustees expenses	539	730	1,085
Communication	1,562	2,000	2,019
Consumables	5,283	4,150	4,457
Operating lease	280	1,308	2,904
Other	8,512	9,700	6,187
Employee benefits - salaries	30,341	30,781	30,260
Insurance	821	1,500	1,500
Service providers, contractors, consultancy	5,000	5,000	4,911
	<u>59,018</u>	<u>62,769</u>	<u>60,273</u>



	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
6. Property			
Caretaking and cleaning consumables	3,141	4,000	4,905
Consultancy and contract services	25,166	27,600	24,846
Cyclical maintenance provision	3,630	5,930	5,680
Grounds	109	-	989
Heat, light, and water	6,551	5,800	6,317
Repairs and maintenance	8,928	14,360	11,704
Use of land and buildings	211,280	250,000	211,280
Security	1,789	2,450	2,624
Employee benefits - salaries	17,826	17,500	16,490
	<u>278,420</u>	<u>327,640</u>	<u>284,835</u>

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

7. Depreciation of Property, Plant and Equipment

Furniture & equipment	4,720		5,431
Information and communication technology	5,535		7,896
Leased assets	3,119		1,462
Library resources	1,214		1,198
Other fixed assets	1,016		997
	<u>15,604</u>	<u>17,809</u>	<u>16,984</u>

8. Cash and Cash Equivalents

ASB Current account	23,394	21,637	44,571
ASB Savings accounts	46,488	39,480	39,480
Tuckshop account	70	70	70
Short term bank deposits with a maturity less than three months	-	-	-
Net cash and cash equivalents and bank overdraft for Statement of Cash Flows	<u>69,952</u>	<u>61,187</u>	<u>84,121</u>

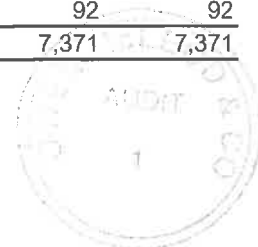
The carrying value of short term deposits with maturity dates of 90 days or less approximates their fair value.

9. Accounts Receivable

Receivables	-	-	-
Interest receivable	1,283	450	450
Teacher salaries grant receivable	37,731	29,609	29,609
	<u>39,014</u>	<u>30,059</u>	<u>30,059</u>
Receivables from exchange transactions	1,283	450	450
Receivables from non-exchange transactions	37,731	29,609	29,609
	<u>39,014</u>	<u>30,059</u>	<u>30,059</u>

10. Inventories

Uniforms	7,137	7,279	7,279
Stationery	1,292	92	92
	<u>8,429</u>	<u>7,371</u>	<u>7,371</u>



	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	

11. Investments

The School's investment activities are classified as follows:

Current Asset:

Short term bank deposits	118,205	76,000	76,000
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12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2017						
Furniture & equipment	20,387	490	-	-	(4,720)	16,157
Information & communication	17,937	-	(61)	-	(5,535)	12,341
Leased assets	5,803	6,008	-	-	(3,119)	8,692
Library resources	8,387	1,322	-	-	(1,214)	8,495
Other fixed assets	6,543	710	-	-	(1,016)	6,237
Balance at 31 December 2017	59,057	8,530	(61)	-	(15,604)	51,922

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017			
Furniture & equipment	84,300	68,143	16,157
Information & communication	80,340	67,999	12,341
Leased assets	13,585	4,893	8,692
Library resources	29,523	21,028	8,495
Other fixed assets	18,217	11,980	6,237
Balance at 31 December 2017	225,965	174,043	51,922

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2016						
Furniture & equipment	21,260	4,558	-	-	(5,431)	20,387
Information & communication	15,008	10,825	-	-	(7,896)	17,937
Leased assets	4,673	2,592	-	-	(1,462)	5,803
Library resources	10,372	637	(1,424)	-	(1,198)	8,387
Other fixed assets	4,283	3,257	-	-	(997)	6,543
Balance at 31 December 2016	55,596	21,869	(1,424)	-	(16,984)	59,057

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016			
Furniture & equipment	83,810	63,423	20,387
Information & communication	83,125	65,188	17,937
Leased assets	7,577	1,774	5,803
Library resources	28,201	19,814	8,387
Other fixed assets	17,843	11,300	6,543
Balance at 31 December 2016	220,556	161,499	59,057



	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
13. Accounts Payable			
Operating creditors	9,221	8,449	8,449
Employee entitlements - salaries	37,731	29,609	29,609
Employee entitlements - leave accrual	1,061	1,146	1,146
	<u>48,013</u>	<u>39,204</u>	<u>39,204</u>
Payables for exchange transactions	48,013	39,204	39,204
Payables for non-exchange transactions - taxes payable (PAYE and rates)	-	-	-
Payables for non-exchange transactions - other	-	-	-
	<u>48,013</u>	<u>39,204</u>	<u>39,204</u>

The carrying value of payables approximates their fair value

14. Provision for Cyclical Maintenance

Provision at the start of the year	38,710	38,710	33,030
Increase to the provision during the year	3,630	5,930	5,680
Use of the provision during the year	-	(3,000)	-
Provision at the end of the year	<u>42,340</u>	<u>41,640</u>	<u>38,710</u>
Cyclical maintenance - current	1,000	-	3,000
Cyclical maintenance - term	<u>41,340</u>	<u>41,640</u>	<u>35,710</u>
	<u>42,340</u>	<u>41,640</u>	<u>38,710</u>

15. Finance Lease Liability

The School has entered into finance lease agreements for teacher laptops and a photocopier. Minimum lease payments payable:

Not later than one year	4,042	2,055	2,055
Later than one year and no later than five years	4,832	1,716	3,772
Later than five years	-	-	-
	<u>8,874</u>	<u>3,771</u>	<u>5,827</u>

16. 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 conditions 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 (Southcity Educational Charitable Trust) 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 have 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 during the year is included in the Statement of Comprehensive Revenue and Expense as "Use of Land and Buildings".

The Proprietor provides religious instruction to pupils of the school. This service is provided free of charge in accordance with the Private Schools Conditional Integration Act 1975.

17. Remuneration

Key management personnel compensation

Key management personnel of the School includes all Trustees of the Board, Principal, Deputy Principals and Heads of Department.

	2017	2016
	Actual	Actual
	\$	\$
Board Members		
Remuneration	3,480	3,850
Full time equivalent members	0.07	0.08
Leadership Team		
Remuneration	203,111	188,485
Full time equivalent members	2.00	2.00
<hr/>		
Total key management personnel remuneration	206,591	192,335
Total full time equivalent personnel	2.07	2.08

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.

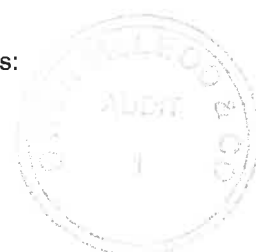
Principal

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

	2017	2016
	Actual	Actual
	\$000	\$000
Salaries and other short term employee benefits:		
Salary and other payments	110 - 120	110 - 120
Benefits and other emoluments	0 - 10	0 - 10
Termination benefits	Nil	Nil

Other Employees

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



Remuneration \$000	2017 FTE	2016 FTE
	Nil	Nil

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

18. 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 members, 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 value	Nil	Nil
Number of people	Nil	Nil

19. Contingencies

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

20. Commitments

(a) Capital Commitments

As at 31 December 2017 the Board has not entered into any contract agreements for capital works.
(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 leases for laptops

	2017 Actual \$	2016 Actual \$
Not later than one year	-	280
Later than one year and not later than five years	-	-
Later than five years	-	-
	-	280

21. 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 revenue 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.



22. Financial Instruments

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<i>Cash and receivables</i>			
Cash and cash equivalents	69,952	61,187	84,121
Receivables	39,014	30,059	30,059
Investments - term deposits	118,205	76,000	76,000
Total cash and receivables	<u>227,171</u>	<u>167,246</u>	<u>190,180</u>
<i>Financial liabilities measured at amortised cost</i>			
Payables	48,013	39,204	39,204
Finance leases	8,874	3,771	5,827
Total financial liabilities measured at amortised cost	<u>56,887</u>	<u>42,975</u>	<u>45,031</u>

23. Events After Balance Date

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



Southcity Christian School

Members of the Board of Trustees

for the year ended 31 December 2017

Name	Position	How position on Board gained	Term expires
Stephen King	Proprietor's Rep Chairperson	Re-elected May 2016	May 2019
Bev Bishop	Principal		
Paul Mudge	Staff Rep	Elected May 2016	May 2019
Vio Oertly	Parent Rep	Re-elected May 2016	May 2019
Kristina de Jong	Parent Rep	Re-elected May 2016	May 2019
Timothy Popping	Parent Rep	Elected May 2016	May 2019

Southcity Christian School

Kiwisport Note

for the year ended 31 December 2017

Kiwisport is a government funding initiative to support students' participation in organised sport. In 2017 the school received total Kiwisport funding of \$1,873 excluding GST (2016 - \$1,728). This funding was spent on swimming lessons for the whole school