

# **Good Shepherd School**

## **Financial Statements for the year ended 31 December 2016**

**School Address:** 30 Telford Avenue, Mt Eden, Auckland 1041

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**Ministry Number:** 1297

# **Good Shepherd School**

## **Financial Statements**

For the year ended 31 December 2016

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**Good Shepherd 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.

Katherine McEnillivray  
Full Name of Board Chairperson

*K McEnillivray*  
Signature of Board Chairperson

19-5-2017  
Date:

Jane Hahn  
Full Name of Principal

*J. Hahn*  
Signature of Principal

19/5/2017  
Date:

**Good Shepherd School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
<b>Revenue</b>				
Government Grants	2	1,351,037	1,371,553	1,429,651
Locally Raised Funds	3	233,155	216,699	256,537
Use of Land and Buildings Integrated		604,300	690,629	690,629
Interest Earned		12,744	9,000	14,193
Gain on Sale of Property, Plant and Equipment		3,099	-	-
		<b>2,204,335</b>	<b>2,287,881</b>	<b>2,391,010</b>
<b>Expenses</b>				
Locally Raised Funds	3	118,937	123,504	126,698
Learning Resources	4	1,142,041	1,207,172	1,188,355
Administration	5	126,894	120,851	117,933
Finance Costs		1,173	-	-
Property	6	705,709	792,979	769,051
Depreciation	7	56,281	40,000	49,769
Amortisation of Equitable Lease		3,393	3,340	3,393
		<b>2,154,428</b>	<b>2,287,846</b>	<b>2,255,199</b>
<b>Net Surplus</b>		<b>49,907</b>	<b>35</b>	<b>135,811</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>49,907</b>	<b>35</b>	<b>135,811</b>

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



**Good Shepherd School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2016

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
<b>Balance at 1 January</b>	713,789	713,789	577,978
Total comprehensive revenue and expense for the year	49,907	35	135,811
<b>Equity at 31 December</b>	763,696	713,824	713,789
Retained Earnings	763,696	713,824	713,789
<b>Equity at 31 December</b>	763,696	713,824	713,789

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



**Good Shepherd School**  
**Statement of Financial Position**  
As at 31 December 2016

		2016	2016	2015
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	241,319	281,348	327,594
Accounts Receivable	9	38,140	79,200	79,313
GST Receivable		10,321	5,300	5,344
Prepayments		18,615	8,000	10,397
Inventories	10	17,186	19,000	19,004
Investments	11	276,545	180,000	175,919
		<u>602,126</u>	<u>572,848</u>	<u>617,571</u>
<b>Current Liabilities</b>				
Accounts Payable	14	51,416	97,700	98,003
Revenue Received in Advance	15	28,693	10,500	39,670
Provision for Cyclical Maintenance	16	-	37,150	-
Finance Lease Liability - Current Portion	17	5,682	-	-
		<u>85,791</u>	<u>145,350</u>	<u>137,673</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>516,335</b>	<b>427,498</b>	<b>479,898</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	185,840	198,051	176,051
Equitable Leasehold Interest	13	88,222	88,275	91,615
Capital Works in Progress		26,753	-	-
		<u>300,815</u>	<u>286,326</u>	<u>267,666</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	37,150	-	33,775
Finance Lease Liability	17	16,304	-	-
		<u>53,454</u>	<u>-</u>	<u>33,775</u>
<b>Net Assets</b>		<u><u>763,696</u></u>	<u><u>713,824</u></u>	<u><u>713,789</u></u>
<b>Equity</b>		<u><u>763,696</u></u>	<u><u>713,824</u></u>	<u><u>713,789</u></u>

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



**Good Shepherd School**

**Statement of Cash Flows**

For the year ended 31 December 2016

	2016	2016	2015
Note	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
<b>Cash flows from Operating Activities</b>			
Government Grants	377,463	373,483	410,068
Locally Raised Funds	224,542	201,399	255,096
Goods and Services Tax (net)	(4,977)	(3,500)	(3,474)
Payments to Employees	(173,609)	(190,162)	(146,423)
Payments to Suppliers	(354,546)	(369,769)	(373,435)
Interest Paid	(1,173)	-	-
Interest Received	12,273	8,300	13,443
Net cash from / (to) the Operating Activities	79,973	19,751	155,275
<b>Cash flows from Investing Activities</b>			
Proceeds from Sale of PPE (and Intangibles)	3,500	401	-
Purchase of PPE (and Intangibles)	(67,218)	(58,212)	(26,694)
Purchase of Investments	(100,626)	(5,000)	(5,678)
Net cash from / (to) the Investing Activities	(164,344)	(62,811)	(32,372)
<b>Cash flows from Financing Activities</b>			
Finance Lease Payments	(1,904)	-	-
Net cash from Financing Activities	(1,904)	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(86,275)</b>	<b>(43,060)</b>	<b>122,903</b>
Cash and cash equivalents at the beginning of the year	8 327,594	324,408	204,691
Cash and cash equivalents at the end of the year	8 241,319	281,348	327,594

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.



# Good Shepherd School

## Notes to the Financial Statements

For the year ended 31 December 2016

### 1. Statement of Accounting Policies

#### **Reporting Entity**

Good Shepherd 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 12.





# Good Shepherd 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.

#### **Other Grants**

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

Grants for the use of land and buildings are also not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

#### **Donations, Gifts and Bequests**

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

#### **Interest Revenue**

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

#### **Use of Land and Buildings Expense**

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

#### **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.



## Good Shepherd School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

### 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.

### 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 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.



# Good Shepherd School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

### **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	5-10 years
Information and communication technology	5-10 years
Leased assets held under a Finance Lease	3-5 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.



# Good Shepherd School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

### *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

### **Revenue Received in Advance**

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

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

### **Provision for Cyclical Maintenance**

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

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

### **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.



Good Shepherd School

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	300,265	288,383	305,499
Teachers' salaries grants	963,456	996,070	1,023,913
Other MoE Grants	87,316	87,100	100,239
	<u>1,351,037</u>	<u>1,371,553</u>	<u>1,429,651</u>

3 Locally Raised Funds

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

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
<b>Revenue</b>			
Donations	56,832	78,500	103,607
Other revenue	2,398	500	1,957
Trading Activities	24,412	27,400	25,779
	<u>149,513</u>	<u>110,299</u>	<u>125,194</u>
	233,155	216,699	256,537
<b>Expenses</b>			
Activities	98,890	97,004	105,567
Trading	20,047	26,500	21,131
	<u>118,937</u>	<u>123,504</u>	<u>126,698</u>
	<u>114,218</u>	<u>93,195</u>	<u>129,839</u>

Surplus for the year Locally Raised Funds

4 Learning Resources

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Curricular	43,139	42,750	36,431
Equipment repairs	-	300	10,585
Information and communication technology	13,409	12,500	6,710
Extra-curricular activities	1,235	250	-
Library resources	2,883	2,400	1,453
Employee benefits - salaries	1,064,041	1,122,132	1,101,358
Staff development	17,334	26,840	31,818
	<u>1,142,041</u>	<u>1,207,172</u>	<u>1,188,355</u>



Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

5 Administration

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Audit Fee	6,951	6,951	6,843
Board of Trustees Fees	3,640	6,500	4,465
Board of Trustees Expenses	6,640	4,500	3,250
Communication	4,379	4,150	4,206
Consumables	2,777	7,350	6,130
Other	15,889	11,800	10,347
Employee Benefits - Salaries	73,024	64,200	68,978
Insurance	2,866	4,400	3,262
Service Providers, Contractors and Consultancy	10,728	11,000	10,452
	<u>126,894</u>	<u>120,851</u>	<u>117,933</u>

6 Property

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Caretaking and Cleaning Consumables	8,467	6,850	9,086
Consultancy and Contract Services	50,000	51,000	52,174
Cyclical Maintenance Provision	3,375	12,000	(23,022)
Grounds	7,354	5,700	7,944
Heat, Light and Water	14,583	13,900	14,025
Repairs and Maintenance	16,333	10,600	15,542
Use of Land and Buildings	604,300	690,629	690,629
Security	1,297	2,300	2,673
	<u>705,709</u>	<u>792,979</u>	<u>769,051</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.

7 Depreciation of Property, Plant and Equipment

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Furniture and Equipment	22,392	15,388	15,615
Information and Communication Technology	28,424	22,972	31,967
Leased Assets	2,948	-	-
Library Resources	2,517	1,640	2,187
	<u>56,281</u>	<u>40,000</u>	<u>49,769</u>



**Good Shepherd School**  
**Notes to the Financial Statements (cont.)**

For the year ended 31 December 2016

**8 Cash and Cash Equivalents**

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Cash on Hand	1,429	400	373
Bank Current Account	5,372	40,948	89,513
Bank Call Account	155,466	240,000	237,708
Short-term Bank Deposits	79,052	-	-
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>241,319</u>	<u>281,348</u>	<u>327,594</u>

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

**9 Accounts Receivable**

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Receivables	1,552	-	-
Interest Receivable	3,031	2,500	2,560
Teacher Salaries Grant Receivable	<u>33,557</u>	<u>76,700</u>	<u>76,753</u>
	<u>38,140</u>	<u>79,200</u>	<u>79,313</u>
Receivables from Exchange Transactions	4,583	2,500	2,560
Receivables from Non-Exchange Transactions	<u>33,557</u>	<u>76,700</u>	<u>76,753</u>
	<u>38,140</u>	<u>79,200</u>	<u>79,313</u>

**10 Inventories**

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
School Uniforms	17,186	19,000	19,004
	<u>17,186</u>	<u>19,000</u>	<u>19,004</u>

**11 Investments**

The School's investment activities are classified as follows:

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Current Asset			
Short-term Bank Deposits	276,545	180,000	175,919

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



Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2016

12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Furniture and Equipment	62,859	28,448	-	-	(22,392)	68,915
Information and Communication Technology	104,053	11,105	(387)	-	(28,424)	86,347
Leased Assets	-	24,210	-	-	(2,948)	21,262
Library Resources	9,139	2,708	(14)	-	(2,517)	9,316
<b>Balance at 31 December 2016</b>	<b>176,051</b>	<b>66,471</b>	<b>(401)</b>	<b>-</b>	<b>(56,281)</b>	<b>185,840</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Furniture and Equipment	268,485	(211,193)	57,292
Information and Communication Technology	342,903	(244,932)	97,971
Leased Assets	24,210	(2,948)	21,262
Library Resources	44,181	(34,866)	9,315
<b>Balance at 31 December 2016</b>	<b>679,779</b>	<b>(493,939)</b>	<b>185,840</b>

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 \$21,262.

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2015	\$	\$	\$	\$	\$	\$
Furniture and Equipment	65,359	13,116	-	-	(15,615)	62,860
Information and Communication Technology	125,136	10,883	-	-	(31,967)	104,053
Library Resources	7,745	3,581	-	-	(2,187)	9,139
<b>Balance at 31 December 2015</b>	<b>198,240</b>	<b>27,580</b>	<b>-</b>	<b>-</b>	<b>(49,769)</b>	<b>176,051</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2015	\$	\$	\$
Furniture and Equipment	256,922	(194,063)	62,859
Information and Communication Technology	317,326	(213,273)	104,053
Library Resources	41,537	(32,398)	9,139
<b>Balance at 31 December 2015</b>	<b>615,785</b>	<b>(439,734)</b>	<b>176,051</b>

13 Equitable Leasehold Interest

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

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

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

2016 Actual	2016 Budget	2015 Actual
\$	\$	\$
88,222	88,275	91,615
<b>88,222</b>	<b>88,275</b>	<b>91,615</b>





Good Shepherd 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	11,275	12,000	11,563
Accruals	4,651	7,000	6,868
Capital accruals for PPE items	-	-	886
Employee Entitlements - salaries	33,557	76,700	76,753
Employee Entitlements - leave accrual	1,933	2,000	1,933
	<u>51,416</u>	<u>97,700</u>	<u>98,003</u>
Payables for Exchange Transactions	51,416	97,700	98,003
	<u>51,416</u>	<u>97,700</u>	<u>98,003</u>

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	-	-	6,598
Other	28,693	10,500	33,072
	<u>28,693</u>	<u>10,500</u>	<u>39,670</u>

16 Provision for Cyclical Maintenance

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Provision at the Start of the Year	33,775	33,775	56,797
Increase to the Provision During the Year	3,375	12,000	(23,022)
Use of the Provision During the Year	-	(12,000)	-
Provision at the End of the Year	<u>37,150</u>	<u>33,775</u>	<u>33,775</u>
Cyclical Maintenance - Current	-	37,150	-
Cyclical Maintenance - Term	<u>37,150</u>	-	<u>33,775</u>
	<u>37,150</u>	<u>37,150</u>	<u>33,775</u>

17 Finance Lease Liability

The school has entered into a number of finance lease agreements for a TELA laptop and 2 photocopiers.

Minimum lease payments payable:

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
No Later than One Year	5,682	-	-
Later than One Year and no Later than Five Years	16,304	-	-
Later than Five Years	-	-	-
	<u>21,986</u>	<u>-</u>	<u>-</u>



**Good Shepherd School**

**Notes to the Financial Statements (cont.)**

For the year ended 31 December 2016

**18 Related Party Transactions**

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

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

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1. The estimated value of this use during 2016 is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

**19 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	3,640	4,465
Full-time equivalent members	0.34	2.84
<i>Leadership Team</i>		
Remuneration	375,787	364,351
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	379,427	368,816
Total full-time equivalent personnel	4.34	6.84

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	120 - 130	120 - 130
Benefits and Other Emoluments	3 - 4	0
Termination Benefits		

*Other Employees*

There are no other employees with remuneration greater than \$100,000. (2015: Nil)  
The disclosure for 'Other Employees' does not include remuneration of the Principal.

**20 Compensation and Other Benefits Upon Leaving**

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



Good Shepherd School

**Notes to the Financial Statements (cont.)**

For the year ended 31 December 2016

**21 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)

**22 Commitments**

**(a) Capital Commitments**

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

(a) Balance of \$174,338 contract for a court cover canopy to be completed in 2017, which will be fully funded by the Board.

(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 laptops (TELA).

	2016 Actual \$	2015 Actual \$
No later than One Year	1,723	5,480
Later than One Year and No Later than Five Years	-	2,848
Later than Five Years	-	-
	1,723	8,328

**23 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.

**24 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	241,319	281,348	327,594
Receivables	38,140	79,200	79,313
Investments - Term Deposits	276,545	180,000	175,919
Total Loans and Receivables	556,004	540,548	582,826

**Financial liabilities measured at amortised cost**

Payables	51,416	97,700	98,003
Finance Leases	21,986	-	-
Total Financial Liabilities Measured at Amortised Cost	73,402	97,700	98,003

**25 Events After Balance Date**

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



## Good Shepherd School

# Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How position on Board gained</b>	<b>Occupation</b>	<b>Term expired/expires</b>
Katherine McGillivray	Proprietors Rep	Re-appointed	Teacher	April 2019
Jane Jeffery	Proprietor's Rep	Proprietor's Trustee	Financial Literacy	April 2016
Aaron Delacey	Parent Rep	Re-elected June 16	Lawyer	April 2019
Jo Rosa Salota-Kerrison	Parent Rep	Elected June 2013	Hairdresser	April 2016
Nikki Flexman	Parent Rep	Re-elected June 16	Lawyer	April 2019
Ken Pickering	Parent Rep	Elected June 2013	Accountant	April 2016
Marieke Zieleman	Parent Rep	Re-elected June 16	Strategy Manager	April 2019
Father Linus Miranda	Proprietor's Rep	Proprietor's Trustee	Parish Priest	Sept 2016
Jane Hahn	Principal	Appointed May 2013	Principal	
Heather McLeod	Staff Rep	Re-elected June 16	Teacher	April 2019
Leonie Lewthwaite	Proprietor's Rep		Administrator	April 2019
Wesley May	Proprietor's Rep	Appointed June 16	Mechanic	April 2019
Graeme Twose	Parent Rep	Elected June 16	Engineer	April 2019
Father Phil Sullivan	Proprietor's Rep	June 2016	Priest	Jan 2017

**INDEPENDENT AUDITOR'S REPORT****TO THE READERS OF GOOD SHEPHERD SCHOOL'S FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

The Auditor-General is the auditor of Good Shepherd School (the School). The Auditor-General has appointed me, Kurt Sherlock, using the staff and resources of Crowe Horwath New Zealand Audit Partnership, to carry out the audit of the financial statements of the School on his behalf.

**Opinion**

We have audited the financial statements of the School on pages 2 to 17, that comprise the statement of financial position as at 31 December 2016, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2016; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 24 May 2017. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

**Basis for our opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of the Board of Trustees for the financial statements**

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Education Act 1989.

### **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

### **Other information**

The Board of Trustees are responsible for the other information. The other information obtained at the date of our report is the Targets for Raising Student Achievement, Analysis of Variance 2016, Kiwisport Report, and a List of Trustees but does not include the financial statements and our auditor's report thereon.

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

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

### **Independence**

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Kurt Sherlock  
Crowe Horwath New Zealand Audit Partnership  
On behalf of the Auditor-General  
Auckland, New Zealand

## GOOD SHEPHERD SCHOOL 1297

### TARGETS FOR RAISING STUDENT ACHIEVEMENT AND ANALYSIS OF VARIANCE 2016

<p><b>Focus: Writing</b></p>			
<p><b>Strategic Aim: Independent Learning</b></p> <p>Our students take ownership of their learning and are provided with opportunities to actively seek and develop their individual potential.</p>			
<p><b>Annual Aims:</b></p> <ul style="list-style-type: none"> <li>Align all student learning with the NZC recognizing the key competencies as the pathway needed for lifelong learning</li> <li>Continue to develop writing strategies to motivate students to take responsibility for their own learning in writing as evidenced by their ability to discuss where they are at, where they need to go next, and how they will get there.</li> </ul>			
<p><b>Baseline Data:</b></p> <p>Analysis of base line data showed that, in November 2015, most of our students were achieving at or above the National Standards in Writing. However, fewer students were achieving above the standards than in reading. Ten students in Years 4-6 were identified as being at the top of 'At' the writing standard at the end of 2015.</p>			
<p><b>Target:</b></p> <p>Ten students who were achieving at the National Standard in Writing at the end of 2015 will be achieving above the appropriate standard by the end of 2016.</p>			
<p><b>Actions (what did we do?)</b></p> <ul style="list-style-type: none"> <li>Central Auckland Catholic Community of Schools was developed to better support member schools in raising student achievement in writing</li> <li>All teaching staff undertake professional development in raising achievement in writing facilitated by</li> </ul>	<p><b>Outcomes (what happened?)</b></p> <p>Of the ten students in Years 4 – 6 who were identified as at the top end of 'At' the National Standard in Writing at the end of 2015:</p> <ul style="list-style-type: none"> <li>Six of the students (one at Year 4 and five at Year 6) moved to 'Above' the end-of-year standard in writing</li> </ul>	<p><b>Reasons for the variance (why did it happen?)</b></p> <ul style="list-style-type: none"> <li>Moderation of National Standards remains a challenge and, although we have made good progress in this area again during 2016, it is a process that will continue to need attention. The development of rigorous moderation processes is an on-going process and</li> </ul>	<p><b>Evaluation (where to next?)</b></p> <ul style="list-style-type: none"> <li>The one student in the target group who moved from At to Above who will still be attending GSS in 2017 will be closely monitored to ensure that he/she maintains his/her levels of progress and achievement</li> <li>Teachers will identify focus students</li> </ul>



## Focus: Mathematics

### Strategic Aim:

#### Independent Learning

Our students take ownership of their learning and are provided with opportunities to actively seek and develop their individual potential.

### Annual Aims:

- Align all student learning with the NZC recognizing the key competencies as the pathway needed for lifelong learning

### Baseline Data:

Analysis of base line data showed that, in November 2015, most of our students were achieving at or above the National Standards in Mathematics. Eleven students from Years 4-6 were identified as being at the top of 'At' the standard in mathematics.

### Target:

Eleven students who were achieving at the National Standard in Mathematics at the end of Years 4, 5 and 6 in November 2015 will be achieving above the appropriate standard at the end of 2016.

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<ul style="list-style-type: none"><li>Central Auckland Catholic Community of Schools was developed to better support member schools in raising student achievement in mathematics</li><li>Teachers specifically focused on targeting this group of students</li><li>Good Shepherd Professional Learning Group (PLG) meetings focused on these students</li><li>The appraisal system encouraged and supported teacher reflection on their</li></ul>	<p>Of the eleven students who were identified as achieving at the high end of 'At' the appropriate National Standard in Mathematics at the end of 2015:</p> <ul style="list-style-type: none"><li>Four students were achieving above the standard in mathematics as indicated by overall teacher judgements at the end of 2016</li><li>Six student in this group remained at the high end of 'At' the standard in mathematics</li></ul>	<ul style="list-style-type: none"><li>All of these focus students who remained 'At' the standard were in Years 5 and 6. To be above the standard Year 5 students would have to be achieving at Level 3 (consolidated Stage 6) and the Year 6 students would have to be achieving early Level 4 (early Stage 7). All of these students were achieving at these levels in some aspects but not across all areas of mathematics. This</li></ul>	<ul style="list-style-type: none"><li>The two students in the focus group who moved from At to Above who will still be attending GSS in 2017 will be closely monitored to ensure that they maintain their levels of progress and achievement</li><li>Teachers will identify focus students at the beginning of the year and these students will be discussed regularly at team PLG meetings</li><li>Monitor carefully and regularly the</li></ul>

<p>teaching in mathematics and focus students</p> <ul style="list-style-type: none"> <li>• ESOL provision and quality of programmes was reviewed and refined</li> <li>• Intervention programmes were put in place for the focus students to support classroom teachers</li> <li>• Teaching resources were available and appropriate for these focus students</li> </ul>	<ul style="list-style-type: none"> <li>• One student left the school</li> </ul>	<p>was, in retrospect, a challenging target in this learning area.</p> <ul style="list-style-type: none"> <li>• Progress has been made in the establishment of Central Catholic Community of Learning. Data has been shared, across and within school facilitators have been appointed and planning for working together in 2017 has begun. Part of this plan is moderation of writing assessments across schools.</li> </ul>	<p>mathematics progress and achievement levels of all students at Good Shepherd School</p> <ul style="list-style-type: none"> <li>• Work with teachers new to GSS on maths programmes as part of their induction process</li> <li>• Set 2017 targets for student achievement according to MOE guidelines and using National Standards in Mathematics</li> </ul>
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**Planning for next year:**

- Monitor all students achieving above National Standards in Mathematics through professional learning community meetings and school appraisal system, to ensure that they continue to achieve highly
- Monitor all students achieving below National Standards in Mathematics and work together to set goals for these students to ensure that they move to achieving at expectation
- Continue with development of moderation processes to ensure consistency in teacher OTIs
- Include effective mathematics programmes as part of induction of teachers new to GSS
- Central Catholic Community of Learning to focus on mathematics as part of across and within school facilitator roles

## **GOOD SHEPHERD SCHOOL**

### **Kiwisport Report 2016**

Kiwisport is a Government funding initiative to support students' participation in organised sport.

In 2016, the school received total Kiwisport funding of \$2,981.23 (excluding GST). The school funding was spent on the provision of a series of swimming lessons by qualified instructors for our Year 3 and 4 students. Approximately 70 students participated in these lessons.