

Good Shepherd School

Financial Statements for the year ended 31 December 2017

School Address:	30 Telford Ave, Balmoral, Auckland
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Good Shepherd School

Financial Statements

For the year ended 31 December 2017

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Good Shepherd 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 financial statements.

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.

Katherine M. McEillivray
Full Name of Board Chairperson

Jane Hahn
Full Name of Principal

[Signature]
Signature of Board Chairperson

[Signature]
Signature of Principal

21 May 2018
Date:

21/05/2018
Date:

Good Shepherd 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	1,419,012	1,283,621	1,351,037
Local Raised Funds	3	211,007	211,500	233,155
Use of Land and Buildings Integrated		1,159,030	495,997	604,300
Interest Earned		11,657	9,000	12,744
Gain on Sale of Property, Plant and Equipment		-	3,500	3,099
		2,800,706	2,003,618	2,204,335
Expenses				
Local Raised Funds	3	132,138	129,050	118,937
Learning Resources	4	1,206,636	1,107,602	1,142,041
Administration	5	116,326	121,001	126,894
Finance Costs		1,961	1,865	1,173
Property	6	1,303,756	600,367	705,709
Depreciation	7	73,132	40,000	56,281
Amortisation of Equitable Lease		3,393	3,340	3,393
Loss on Disposal of Property, Plant and Equipment		295	-	-
		2,837,637	2,003,225	2,154,428
Net Surplus / (Deficit) for the year		(36,931)	393	49,907
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		(36,931)	393	49,907

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 2017

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Balance at 1 January	<u>763,696</u>	<u>763,696</u>	<u>713,789</u>
Total comprehensive revenue and expense for the year	(36,931)	393	49,907
Equity at 31 December	<u>726,765</u>	<u>764,089</u>	<u>763,696</u>
Retained Earnings	726,765	764,089	763,696
Equity at 31 December	<u>726,765</u>	<u>764,089</u>	<u>763,696</u>

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 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and Cash Equivalents	8	162,378	171,535	241,319
Accounts Receivable	9	74,747	36,500	38,140
GST Receivable		3,137	6,000	10,321
Prepayments		18,397	18,600	18,615
Inventories	10	14,650	17,000	17,186
Investments	11	279,310	170,000	276,545
		552,619	419,635	602,126
Current Liabilities				
Accounts Payable	14	119,502	48,700	51,417
Revenue Received in Advance	15	32,842	21,000	28,693
Provision for Cyclical Maintenance	16	-	9,877	-
Finance Lease Liability - Current Portion	17	8,298	6,022	5,682
		160,642	85,599	85,792
Working Capital Surplus/(Deficit)		391,977	334,036	516,334
Non-current Assets				
Property, Plant and Equipment	12	330,842	386,340	185,841
Equitable Leasehold Interest	13	84,829	84,882	88,222
Capital Works in Progress		-	-	26,753
		415,671	471,222	300,816
Non-current Liabilities				
Provision for Cyclical Maintenance	16	65,627	30,651	37,150
Finance Lease Liability	17	15,256	10,518	16,304
		80,883	41,169	53,454
Net Assets		726,765	764,089	763,696
Equity		726,765	764,089	763,696

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 2017

	2017	2017 Budget	2016
Note	Actual \$	(Unaudited) \$	Actual \$
Cash flows from Operating Activities			
Government Grants	387,330	351,419	377,463
Locally Raised Funds	216,708	222,000	224,542
Goods and Services Tax (net)	7,184	(700)	(4,977)
Payments to Employees	(152,162)	(189,100)	(173,609)
Payments to Suppliers	(358,429)	(351,743)	(354,546)
Interest Paid	(1,961)	(1,865)	(1,173)
Interest Received	12,781	8,500	12,273
Net cash from / (to) the Operating Activities	111,451	38,511	79,973
Cash flows from Investing Activities			
Proceeds from Sale of PPE (and Intangibles)	-	3,500	3,500
Purchase of PPE (and Intangibles)	(184,325)	(228,289)	(67,218)
Purchase of Investments	(2,765)	10,053	(100,626)
Net cash from / (to) the Investing Activities	(187,090)	(214,736)	(164,344)
Cash flows from Financing Activities			
Finance Lease Payments	(3,302)	16,540	(1,904)
Net cash from / (to) Financing Activities	(3,302)	16,540	(1,904)
Net increase/(decrease) in cash and cash equivalents	(78,941)	(159,685)	(86,275)
Cash and cash equivalents at the beginning of the year	8 241,319	331,220	327,594
Cash and cash equivalents at the end of the year	8 162,378	171,535	241,319

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 2017

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 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

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 revenue in the period the School uses the land and buildings.

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.

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.

Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

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 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 Schedule 6 Section 28 of the Education Act 1989 in relation to the acquisition of investment 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.

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.

Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

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.

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.



Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

Revenue Received in Advance

Revenue received in advance relates to camp fees, stationery fees and donations 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 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, 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 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.

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 Statement 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 2017

2 Government Grants

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Operational grants	295,123	299,819	300,265
Teachers' salaries grants	1,028,162	932,202	963,456
Resource teachers learning and behaviour grants	3,396	1,600	-
Other MoE Grants	92,331	50,000	87,316
	<u>1,419,012</u>	<u>1,283,621</u>	<u>1,351,037</u>

3 Locally Raised Funds

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Revenue			
Donations	48,489	36,000	56,832
Other revenue	5,260	500	2,398
Trading	24,953	27,200	24,412
Activities	132,305	147,800	149,513
	<u>211,007</u>	<u>211,500</u>	<u>233,155</u>
Expenses			
Activities	110,775	105,550	98,890
Trading	21,363	23,500	20,047
	<u>132,138</u>	<u>129,050</u>	<u>118,937</u>
<i>Surplus for the year Locally Raised Funds</i>	<u>78,869</u>	<u>82,450</u>	<u>114,218</u>

The school would like to acknowledge the receipt of \$7,000 from the Four Winds Foundation to be spent on camp expenses.

4 Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Curricular	32,106	32,400	43,139
Information and communication technology	12,389	11,000	13,409
Extra-curricular activities	1,000	200	1,235
Library resources	859	3,000	2,883
Employee benefits - salaries	1,153,027	1,058,002	1,064,041
Staff development	7,255	3,000	17,334
	<u>1,206,636</u>	<u>1,107,602</u>	<u>1,142,041</u>

5 Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Audit Fee	7,046	6,951	6,951
Board of Trustees Fees	4,560	6,500	3,640
Board of Trustees Expenses	6,053	4,500	6,640
Communication	2,665	3,000	2,983
Consumables	1,059	6,200	2,777
Postage	703	1,200	1,396
Other	11,570	14,950	15,889
Employee Benefits - Salaries	69,192	63,200	73,024
Insurance	2,786	3,500	2,866
Service Providers, Contractors and Consultancy	10,692	11,000	10,728
	<u>116,326</u>	<u>121,001</u>	<u>126,894</u>

Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

6 Property

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Caretaking and Cleaning Consumables	11,387	7,450	8,467
Consultancy and Contract Services	53,220	53,220	50,000
Cyclical Maintenance Provision	28,477	12,000	3,375
Grounds	7,649	5,600	7,354
Heat, Light and Water	14,245	13,900	14,583
Repairs and Maintenance	25,507	10,600	16,333
Use of Land and Buildings	1,159,030	495,997	604,300
Security	4,241	1,600	1,297
	<u>1,303,756</u>	<u>600,367</u>	<u>705,709</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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Furniture and Equipment	32,473	21,200	22,392
Information and Communication Technology	31,650	14,179	28,424
Leased Assets	6,431	3,218	2,948
Library Resources	2,578	1,403	2,517
	<u>73,132</u>	<u>40,000</u>	<u>56,281</u>

8 Cash and Cash Equivalents

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash on Hand	551	1,400	1,429
Bank Current Account	7,709	10,135	5,372
Bank Call Account	154,118	160,000	155,466
Short-term Bank Deposits	-	-	79,052
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>162,378</u>	<u>171,535</u>	<u>241,319</u>

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

9 Accounts Receivable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Receivables	-	-	1,552
Interest Receivable	1,907	3,000	3,031
Teacher Salaries Grant Receivable	72,840	33,500	33,557
	<u>74,747</u>	<u>36,500</u>	<u>38,140</u>
Receivables from Exchange Transactions	1,907	3,000	4,583
Receivables from Non-Exchange Transactions	72,840	33,500	33,557
	<u>74,747</u>	<u>36,500</u>	<u>38,140</u>



Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

10 Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
School Uniforms	14,650	17,000	17,186
	<u>14,650</u>	<u>17,000</u>	<u>17,186</u>

11 Investments

The School's investment activities are classified as follows:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Asset			
Short-term Bank Deposits	279,310	170,000	276,545
	<u>279,310</u>	<u>170,000</u>	<u>276,545</u>

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2017.

12 Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2017						
Furniture and equipment	57,290	198,853	-	-	(32,473)	223,670
Information and communication technology	97,973	10,339	-	-	(31,650)	76,662
Leased assets	21,262	7,349	-	-	(6,431)	22,180
Library resources	9,316	1,887	(295)	-	(2,578)	8,330
Balance at 31 December 2017	<u>185,841</u>	<u>218,428</u>	<u>(295)</u>	<u>-</u>	<u>(73,132)</u>	<u>330,842</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2017			
Furniture and equipment	467,336	(243,666)	223,670
Information and communication technology	353,242	(276,580)	76,662
Leased assets	31,560	(9,380)	22,180
Library resources	44,667	(36,337)	8,330
Balance at 31 December 2017	<u>896,805</u>	<u>(565,963)</u>	<u>330,842</u>

The net carrying value of equipment held under a finance lease is \$22,181 (2016: \$21,262).

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2016						
Furniture and equipment	62,859	11,563	-	-	(17,132)	57,290
Information and communication technology	104,053	27,992	(387)	-	(33,685)	97,973
Leased assets	-	24,210	-	-	(2,948)	21,262
Library resources	9,139	2,708	(14)	-	(2,517)	9,316
Balance at 31 December 2016	<u>176,051</u>	<u>66,473</u>	<u>(401)</u>	<u>-</u>	<u>(56,282)</u>	<u>185,841</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2016			
Furniture and equipment	268,485	(211,195)	57,290
Information and communication technology	342,903	(244,930)	97,973
Leased assets	24,210	(2,948)	21,262
Library resources	44,181	(34,865)	9,316
Balance at 31 December 2016	<u>679,779</u>	<u>(493,938)</u>	<u>185,841</u>

Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

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 assets(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

2017	2017	2016
Actual	Budget	Actual
\$	(Unaudited)	\$
84,829	84,882	88,222
84,829	84,882	88,222

14 Accounts Payable

Operating creditors
Accruals
Employee Entitlements - salaries
Employee Entitlements - leave accrual

2017	2017	2016
Actual	Budget	Actual
\$	(Unaudited)	\$
38,726	8,700	11,276
4,697	4,600	4,651
73,624	33,500	33,557
2,455	1,900	1,933
119,502	48,700	51,417

Payables for Exchange Transactions

119,502	48,700	51,417
119,502	48,700	51,417

The carrying value of payables approximates their fair value.

15 Revenue Received in Advance

Other

2017	2017	2016
Actual	Budget	Actual
\$	(Unaudited)	\$
32,842	21,000	28,693
32,842	21,000	28,693

16 Provision for Cyclical Maintenance

Provision at the Start of the Year
Increase to the Provision During the Year
Use of the Provision During the Year
Provision at the End of the Year

2017	2017	2016
Actual	Budget	Actual
\$	(Unaudited)	\$
37,150	37,150	33,775
28,477	12,000	3,375
-	(8,622)	-
65,627	40,528	37,150

Cyclical Maintenance - Current
Cyclical Maintenance - Term

-	9,877	-
65,627	30,651	37,150
65,627	40,528	37,150



Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

17 Finance Lease Liability

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

Minimum lease payments payable:

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	8,298	6,022	5,682
Later than One Year and no Later than Five Years	15,256	10,518	16,304
	<u>26,757</u>	<u>16,540</u>	<u>21,986</u>

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 have been disclosed appropriately, if the proprietor collects funds on behalf of the school (or vice versa) the amounts are disclosed.

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 2017 is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

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

For the year ended 31 December 2017

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.

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	4,560	3,640
Full-time equivalent members	0.19	0.34
<i>Leadership Team</i>		
Remuneration	393,668	375,787
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	398,228	379,427
Total full-time equivalent personnel	4.19	4.34

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

Principal

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

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 130	120 - 130
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

Other Employees

No other employee received total remuneration over \$100,000 (2016: 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.

21 Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2017.

(Contingent liabilities and assets as at 31 December 2016: nil)

22 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 2016:

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

(b) Operating Commitments

As at 31 December 2017 the Board has entered into the following contracts:

- operating lease of a TELA laptops

	2017 Actual \$	2016 Actual \$
No later than One Year	-	1,723
	-	1,723

Good Shepherd School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

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:

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Loans and Receivables			
Cash and Cash Equivalents	162,378	171,535	241,319
Receivables	74,747	36,500	38,140
Investments - Term Deposits	279,310	170,000	276,545
Total Loans and Receivables	516,435	378,035	556,004
Financial liabilities measured at amortised cost			
Payables	119,502	48,700	51,417
Finance Leases	23,554	16,540	21,986
Total Financial Liabilities Measured at Amortised Cost	143,056	65,240	73,403

25 Events After Balance Date

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

26 Prior Year Comparatives

Comparative figures included in the financial statements relate to the financial year ended 31 December 2016. Where necessary these figures have been reclassified on a basis consistent with current disclosure for the year ended 31 December 2017.





GOOD SHEPHERD SCHOOL BOARD OF TRUSTEES

'Together we Learn and Care'

30 Telford Avenue, Balmoral, Auckland 1041
(09) 620 4962



Name	Position	How position	Occupation	Term Expires
Katherine McGillivray	Proprietors Rep	Re-appointed	Teacher	April 2019
Aaron Delacey	Parent Rep	Re-elected June 16	Lawyer	April 2019
Nikki Flexman	Parent Rep	Re-elected June 16	Lawyer	April 2019
Marieke Zieleman	Parent Rep	Re-elected June 16	Strategy Manager	April 2019
Jane Hahn	Principal	Appointed May 2013	Principal	
Heather McLeod	Staff Rep	Re-elected June 16	Teacher	April 2019
Leonie Lewthwaite	Proprietor's Rep	Appointed 2016	Administrator	April 2019
Wesley May	Proprietor's Rep	Appointed June 16	Mechanic	April 2019
Graeme Twose	Parent Rep	Elected June 16	Engineer	April 2019
Mons Bernard Kiely	Proprietor's Rep	Appointed Feb 2017	Priest	April 2019

*Trustees: Katherine McGillivray (Chair), Aaron Delacey,
Nikki Flexman, Marieke Zieleman, Leonie Lewthwaite, Graeme Twose,
Wesley May, Mons Bernard Kiely, Jane Hahn (Principal), Heather McLeod*

GOOD SHEPHERD SCHOOL

Kiwisport Report 2017

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

In 2017, the school received total Kiwisport funding of \$2,915.28 (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.

GOOD SHEPHERD SCHOOL 1297

TARGETS FOR RAISING STUDENT ACHIEVEMENT AND ANALYSIS OF VARIANCE 2017

Focus: Writing			
Strategic Goal 2: Independent Learning			
Our students are provided with a stimulating learning environment that allows them to develop to their individual potential.			
Annual Aims: Teaching staff who effectively promote students' ownership of and participation in learning			
Baseline Data: Analysis of baseline data showed that, in November 2016, most of our students were achieving at or above the National Standards in Writing. However, a number of students in Year 3 were in the first third of 'At' the standard (At1), and are therefore at risk of falling 'Below' the standard. Two students in this year level were 'Below' the end of year standard in writing.			
Target: Seven students in Year 4 who were achieving Below or At1 the National Standard in Writing at the end of 2016 will make at least one sublevel's progress by the end of 2017.			
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"> Central Auckland Catholic Community of Schools was developed to better support member schools in raising student achievement in writing Recent professional development in raising achievement in writing 	<p>Of the seven students in Year 4 who were achieving Below or At1 the National Standard in Writing at the end of 2016:</p> <ul style="list-style-type: none"> One student moved from Below 3 to At 2 Two students moved from At 1 to At 2 	<ul style="list-style-type: none"> There is obvious variation in commitment from parents/whanau in following up on meetings Change of Within School teacher at end of term 1 resulted in a slow start to the inquiry project Setting up the project with name, 	<ul style="list-style-type: none"> Students in the focus group who made one or two sublevels' progress will be closely monitored to ensure that they maintains their levels of progress and achievement Teachers will identify focus students at the beginning of the year and these students will be discussed

<p>facilitated by an independent literacy consultant was sustained through the appraisal process and professional learning groups</p> <ul style="list-style-type: none"> • Teachers specifically focused on targeting this group of students • Good Shepherd Professional Learning Group (PLG) meetings focused on these students • The appraisal system encouraged and supported teacher reflection on their teaching in writing and focus students • ESOL provision and quality of programmes was reviewed and refined • Intervention programmes were put in place for the target students to support classroom teachers • Teaching resources were available and appropriate for these focus students 	<ul style="list-style-type: none"> • Three students remained at At 1 • One student remained at Below 	<p>pamphlets, etc. took time at the beginning</p> <ul style="list-style-type: none"> • Not all teachers' appraisal inquiries were focused on the writing aspect • Resourcing for in-class support for teachers during writing programmes was limited this year 	<p>regularly at team PLG meetings</p> <ul style="list-style-type: none"> • Monitor carefully and regularly the writing progress and achievement levels of all students at Good Shepherd School • Work with teachers new to GSS on writing programmes as part of their induction process • Set 2018 targets for student achievement according to MOE guidelines and using National Standards in Writing
<p>Planning for next year:</p> <ul style="list-style-type: none"> • Support all teachers at GSS to follow the principles of Toopu and establish close learning-focused relationships particularly with parents/whanau of focus students • Monitor all students achieving above National Standards in Writing 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 Writing 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 OTJIs • Include effective writing programmes as part of induction of teachers new to GSS • Central Catholic Community of Learning to focus on writing as part of across and within school facilitator roles 			

Focus: Mathematics			
Strategic Goal 2: Independent Learning			
Our students are provided with a stimulating learning environment that allows them to develop to their individual potential.			
Annual Aim: Teaching staff who effectively promote students' ownership of and participation in learning			
Baseline Data: Analysis of baseline data showed that, in November 2016, most of our students were achieving at or above the National Standards in Mathematics. However, a number of students in Year 3 were in the first third of 'At' the standard (At1), and are therefore at risk of falling 'Below' the standard. Three students in this year level were 'Below' the end of year standard in mathematics.			
Target: Ten students in Year 4 who were achieving Below or At1 the National Standard in Mathematics at the end of 2016 will make at least one sublevel's progress by the end of 2017.			
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"> Central Auckland Catholic Community of Schools was developed to better support member schools in raising student achievement in mathematics Teachers specifically focused on targeting this group of students 	<p>Of the ten students in Year 4 who were achieving Below or At1 the National Standard in Mathematics at the end of 2016:</p> <ul style="list-style-type: none"> Seven students moved from At 1 to At 2 	<p>This student achievement target for 2017 was reached.</p>	<ul style="list-style-type: none"> Continue to access PLD in maths through the Kahui Ako Students in the focus group who made one or two sublevels' progress will be closely monitored to ensure that they maintain their levels of progress and achievement Teachers will identify focus students

<ul style="list-style-type: none"> ● Good Shepherd Professional Learning Group (PLG) meetings focused on these students ● The appraisal system encouraged and supported teacher reflection on their teaching in mathematics and focus students ● ESOL provision and quality of programmes was reviewed and refined ● Intervention programmes were put in place for the focus students to support classroom teachers ● Teaching resources were available and appropriate for these focus students 	<ul style="list-style-type: none"> ● 2 students moved from Below to At 1 ● One student moved from Below to At 2 		<p>at the beginning of the year and these students will be discussed regularly at team PLG meetings</p> <ul style="list-style-type: none"> ● Monitor carefully and regularly the maths progress and achievement levels of all students at Good Shepherd School ● Work with teachers new to GSS on maths programmes as part of their induction process ● Set 2018 targets for student achievement according to MOE guidelines and using National Standards in Mathematics
<p>Planning for next year:</p> <ul style="list-style-type: none"> ● Support all teachers at GSS to follow the principles of Toopu and establish close learning-focused relationships particularly with parents/whanau of focus students ● 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 OTJs ● Include effective maths programmes as part of induction of teachers new to GSS ● Central Catholic Community of Learning to focus on maths as part of across and within school facilitator roles 			

INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF GOOD SHEPHERD SCHOOL'S FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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 2017, 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 2017; 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.

Our audit was completed on 23 May 2018. 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 arises 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 and Analysis of Variance and Kiwisport Report attached to the financial statements, 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