

# Surrey Park Early Learning Centre Incorporated

## Independent Auditor's Report to the readers of the financial statements

### Opinion

We have audited the financial statements of Surrey Park Early Learning Centre Incorporated, (the "Learning Centre") which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive revenue and expense, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements on pages 5 to 21 present fairly, in all material respects, the financial position of Surrey Park Early Learning Centre Incorporated as at 31 December 2017 and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Learning Centre] in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Learning Centre

### Responsibilities of the executive for the Financial Statements

Those charged with governance are responsible on behalf of the Learning Centre for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, those charged with governance are responsible for assessing the Learning Centre's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Learning Centre or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities 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 conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 the auditor's 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.
- 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- 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.



**Crowe Horwath New Zealand Audit Partnership**

CHARTERED ACCOUNTANTS

Dated at Invercargill this 12 day of March 2018

# Financial Statements

Surrey Park Early Learning Centre Inc  
For the year ended 31 December 2017

Prepared by Rublix Accountants Ltd

*[Handwritten signature]*

## Contents

- 3 Society Information
- 4 Approval of Financial Report
- 5 Statement of Comprehensive Revenue and Expenses
- 6 Statement of Financial Position
- 7 Statement of Changes in Net Assets
- 8 Statement of Cash Flows
- 9 Notes to the Financial Statements

A handwritten signature in blue ink, appearing to be "VQ 30", is located at the bottom left of the page.



## Society Information

### Surrey Park Early Learning Centre Inc For the year ended 31 December 2017

#### Nature of business

Providing early childhood education

#### Registered Office

55 Isabella Street  
Glengarry

Invercargill 9810

#### Date of Incorporation

30 June 2008

#### Charity Registration Number

CC41481

#### Accountants

Rubliix Accountants Limited

#### Auditors

Crowe Horwath New Zealand Audit Partnership

#### IRD number

055-143-862

#### Bankers

Westpac Bank

#### Executive Committee

##### Name

Liz Henry

Kate Marshall

Claire Spencer

New appointment to be confirmed

Lorna Allott

Avril Dalzell

Amanda Hare

Campbell Hazley

##### Position held

President

Vice President

Secretary

Treasurer

Family Support / Fund raising

Director

• Committee member

• Committee member

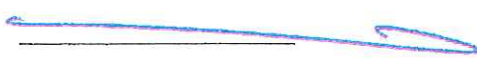
*Sub*

## Approval of Financial Report


Surrey Park Early Learning Centre Inc  
For the year ended 31 December 2017

The Executive Committee are pleased to present the approved financial report including the historical financial statements of Surrey Park Early Learning Centre Inc for year ended 31 December 2017.


APPROVED

  
\_\_\_\_\_  
President

Date ..... 12/3/18 .....

  
\_\_\_\_\_  
Treasurer

Date ..... 12/3/18 .....



# Statement of Comprehensive Revenue and Expenses

Surrey Park Early Learning Centre Inc  
For the year ended 31 December 2017

	NOTES	2017	2016
<b>Revenue from non-exchange transactions</b>			
Government Funding	6	1,616,506	1,745,828
Donations, fundraising and other similar revenue		11,996	15,568
<b>Total Revenue from non-exchange transactions</b>		<b>1,628,502</b>	<b>1,761,396</b>
<b>Revenue from exchange transactions</b>			
Fees, subscriptions and other revenue from members	8	554,257	603,820
Interest, dividends and other investment revenue		4,033	6,134
Other revenue		24,279	9,228
<b>Total Revenue from exchange transactions</b>		<b>582,569</b>	<b>619,181</b>
<b>Expenses</b>			
Employee related costs		1,887,660	1,922,134
Depreciation	12	21,026	17,528
Interest expenses		293	2
Professional fees		15,809	13,782
<b>Other expenses</b>			
Administration expenses	15	62,753	74,001
Cleaning expenses		50,218	44,808
Donations		-	251
Fundraising expenses		3,603	6,172
Groceries		62,429	64,540
Loss on disposal of assets		439	181
Low cost assets		6,076	8,508
Non deductible penalties		-	265
Programme costs		489	27,095
Repairs and maintenance	16	43,661	21,198
Staff training		21,432	11,456
Utilities		39,704	31,725
<b>Total Other expenses</b>		<b>290,802</b>	<b>290,200</b>
<b>Total Expenses</b>		<b>2,215,589</b>	<b>2,243,645</b>
<b>Total (deficit) / surplus for the year</b>		<b>(4,518)</b>	<b>136,932</b>

These financial statements are to be read in conjunction with the notes and accounting policies set out and with reference to the audit report.



*Handwritten signature/initials*

# Statement of Financial Position

Surrey Park Early Learning Centre Inc

As at 31 December 2017

	NOTES	31 DEC 2017	31 DEC 2016
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	10	596,500	679,558
Receivables from non-exchange transactions		100,757	101,533
Receivables from exchange transactions		10,288	3,862
Prepayments		-	11,284
<b>Total Current Assets</b>		<b>707,545</b>	<b>796,237</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	12	183,312	144,520
<b>Total Non-Current Assets</b>		<b>183,312</b>	<b>144,520</b>
<b>Total Assets</b>		<b>890,857</b>	<b>940,757</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other creditors		238,434	255,498
Employee entitlements		85,133	139,074
Finance leases payable	14	7,663	-
<b>Total Current Liabilities</b>		<b>331,230</b>	<b>394,572</b>
<b>Non-Current Liabilities</b>			
Finance leases payable	14	17,960	-
<b>Total Non-Current Liabilities</b>		<b>17,960</b>	<b>-</b>
<b>Total Liabilities</b>		<b>349,190</b>	<b>394,572</b>
<b>Net Assets</b>		<b>541,667</b>	<b>546,185</b>
<b>Equity</b>			
Retained earnings		546,185	409,254
Current year earnings		(4,518)	136,932
<b>Total Equity</b>		<b>541,667</b>	<b>546,185</b>

President

12-3-18

Date

Treasurer

Date



This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.



## Statement of Changes in Net Assets

Surrey Park Early Learning Centre Inc

For the year ended 31 December 2017

	2017	2016
<b>Equity</b>		
Opening Balance	546,185	409,254
<b>Increases</b>		
Profit for the Period	-	136,932
Total Increases	-	136,932
<b>Decreases</b>		
Loss for the Period	4,518	-
Total Decreases	4,518	-
Total Equity	541,667	546,185



These financial statements are to be read in conjunction with the notes and accounting policies set out and with reference to the audit report.

# Statement of Cash Flows

Surrey Park Early Learning Centre Inc  
For the year ended 31 December 2017

	2017	2016
<b>Cash Flows from Operating Activities</b>		
Donations, fundraising and other similar receipts	13,792	17,828
Fees, subscriptions and other receipts from members	630,969	702,552
Interest, dividends and other investment receipts	4,033	6,134
Cash receipts from other operating activities	1,883,034	2,016,782
GST	(276,616)	(336,526)
Payments to suppliers and employees	(2,321,980)	(2,221,579)
Net cash inflow / (outflow) from operating activities	(66,768)	185,190
<b>Cash Flows from Investing Activities</b>		
Payments to acquire property, plant and equipment	(11,480)	(4,061)
Net cash inflow / (outflow) from investing activities	(11,480)	(4,061)
<b>Cash Flows From Financing Activities</b>		
Payments of finance lease principal	(4,810)	-
Net cash inflow / (outflow) from financing activities	(4,810)	-
<b>Net Increase/ (Decrease) in Cash</b>	<b>(83,057)</b>	<b>181,129</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	679,558	498,429
Cash and cash equivalents at end of period	596,500	679,558
Net change in cash for period	(83,057)	181,129



These financial statements are to be read in conjunction with the notes and accounting policies set out and with reference to the audit report.

# Notes to the Financial Statements

## Surrey Park Early Learning Centre Inc

For the year ended 31 December 2017

### 1. Reporting Entity

The reporting entity is Surrey Park Early Learning Centre Inc. Surrey Park Early Learning Centre Inc is domiciled in New Zealand and is a charitable organisation registered under the Incorporated Societies Act 1908 and the Charities Act 2005.

The financial statements are presented for the year ended 31 December 2017.

These financial statements and the accompanying notes summarise the financial results of activities carried out by Surrey Park Early Learning Centre Inc. The entity provides early childhood education.

These financial statements have been approved and were authorised for issue by the Executive Committee on 28 March 2018.

### 2. Statement of Compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the entity is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Executive Committee has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

### 3. Summary of Accounting policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to the 2017 year presented in these financial statements.

#### 3.1 Basis of measurement

These financial statements have been prepared on the basis of historical cost.

#### 3.2 Functional and presentational currency

The financial statements are presented in New Zealand dollars (\$), which is the entity's functional currency.



### 3.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received.

The following specific recognition criteria must be met before revenue is recognised:

#### Revenue from non-exchange transactions

##### *Donations*

Donations are recognised as revenue upon receipt and include donations from the general public, donations received for specific programme or services or donations in-kind. Donations in-kind include donations received for services, furniture and volunteer time and is recognised in revenue and expense when the service or good is received. Donations in-kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would be otherwise incurred by the entity.

##### *Funding*

Funding revenue includes funding given by Ministry of Education and WINZ. Funding revenue is recognised when the conditions attached to the funding has been complied with. Where there are unfulfilled conditions attaching to the funding, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

#### Revenue from exchange transactions

##### *Fee revenue*

Fees are collected from parents in consideration for day care services provided to their children. Fee revenue is recognised after the service has been provided and it is probable that the economic benefit will flow to the entity.

##### *Interest and dividend revenue*

Interest revenue is recognised as it accrues, using the effective interest method.

Dividend revenue is recognised when the dividend is declared.

### 3.4 Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the financial instrument.

The entity derecognises a financial asset or, where applicable, a part of a financial asset or part of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the entity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the entity has transferred substantially all the risks and rewards of the asset; or
- the entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.






### 3.4 Financial Instruments - continued

#### Financial Assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting revenue and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The entity's financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. The entity's financial assets include: cash and cash equivalents, receivables from non-exchange transactions, and receivables from exchange transactions.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

#### *Financial assets at fair value through surplus or deficit*

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. The entity does not have any assets that fall into this category.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The entity's cash and cash equivalents, receivables from non-exchange transactions, and receivables from exchange transactions and non-equity investments fall into this category of financial instruments.

#### Impairment of financial assets

The entity assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cashflows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there is any objective evidence of impairment, the entity first assesses whether there is objective evidence of impairment of financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the entity determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial asset's with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.




### 3.4 Financial Instruments - continued

#### Impairment of financial assets - continued

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

#### Financial liabilities

The entity's financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements, and loans and borrowings.

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

### 3.5 Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 3.6 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a diminishing value basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost of the asset less any estimated residual value over its remaining useful life:

• Buildings	0% - 40%
• Furniture & fittings	8% - 33%
• Office Equipment	25% - 60%
• Plant & Equipment	0% - 80%
• Nga Tamariki	0% - 60%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.




### **3.7 Employee benefits**

#### **Wages, salaries, annual leave and sick leave**

Liabilities for wages and salaries, annual leave and accumulating sick leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

#### **Long service leave**

Employees of the entity become eligible for long service leave after a certain number of years of employment, depending on their contract. The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method.

### **3.8 Income Tax**

Due to its charitable status, the entity is exempt from income tax.

### **3.9 Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

A handwritten signature in blue ink, appearing to be 'Stu'.A handwritten signature in blue ink, appearing to be 'B'.



### 3.10 Leases

#### **Finance leases**

Leases in terms of which the entity assumes substantially all the risks and rewards of the ownership are classified as finance leases.

Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

#### **Operating leases**

Leases that are not finance leases are classified as operating leases.

Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease.

### 3.11 Equity

Equity is the community's interest in the entity, measured as the difference between total assets and total liabilities. Equity is made up of the following component:

#### **Accumulated comprehensive revenue and expense**

Accumulated comprehensive revenue and expense is the entity's accumulated surplus or deficit since its formation.





#### 4. Significant accounting judgements, estimates and assumptions

The preparation of the entity's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### Judgements

In the process of applying the entity's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

##### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The entity based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the entity. Such changes are reflected in the assumptions when they occur.

##### Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- The condition of the asset
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by the entity are listed in Note 3.6.

#### 5. Revenue from non-exchange transactions

Revenue from non-exchange transactions received during the year are made up of the following:

	2017 \$	2016 \$
Government Funding	1,616,506	1,745,828
Donations	1,759	1,574
Fundraising	<u>10,237</u>	<u>13,994</u>
	<u>1,628,502</u>	<u>1,761,396</u>



## 6. Government (Ministry of Education) funding income

The Ministry of Education funding income comprises of the following:

	2017 \$	2016 \$
ECE Funding	1,556,179	1,680,749
Equity Funding	<u>60,327</u>	<u>65,079</u>
Total	<u>1,616,506</u>	<u>1,745,828</u>

An amount of \$152,993 (exclusive of GST) of funding has been received in advance. This advance relates to funding for January and February 2018.

## 7. Ministry of Education Equity funding

The following table provides the breakdown by different Components of the Equity funding income received and expenditure incurred by the Entity during the financial year:

	Income [GST excl.]	Expenses [GST excl.]
Component A: Low Socio Economic	32,126	31,730
Component B: Special Needs	<u>29,066</u>	<u>29,456</u>
Total	<u>61,192</u>	<u>61,186</u>

Equity funding is spent on food for the children, subsidise childcare costs and recruit staff to maintain a high teacher to child ratio than the minimum required by the Ministry of Education.

## 8. Fees, subscriptions and other revenue from members

The Fees, subscriptions and other revenue from members comprises of the following:

	2017 \$	2016 \$
Parent fees - SPELC	246,287	290,423
Parent fees - Nga Tamariki	-	2,155
WINZ income - SPELC	307,970	309,428
WINZ income - Nga Tamariki	<u>-</u>	<u>1,814</u>
Total	<u>554,257</u>	<u>603,820</u>

## 9. Auditor's remuneration

Audit fees of \$4,347 (inclusive of GST) (2016: \$3,105 (inclusive of GST)) were paid to Crowe Horwath New Zealand for the financial statement audit during the 2017 year.

No fees were paid to Crowe Horwath New Zealand for non-audit related services during the 2017 year.

## 10. Cash and cash equivalents

Cash and cash equivalents include the following components:

	2017	2016
	\$	\$
Petty cash	200	200
Cash on hand	10	10
Cash at bank	455,962	542,505
Term deposit	<u>140,328</u>	<u>136,843</u>
	<u>596,500</u>	<u>679,558</u>

## 11. Related party transactions

There were no transactions with related parties requiring disclosure.

### Key Management Personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the Executive Committee which is comprised of the President, Vice President, Treasurer and Director. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2017	2016
Total remuneration	\$90,846	\$92,769
Number of persons	1	1



## 12. Property plant and equipment

31 December 2017	Buildings	Furniture and Fittings	Office Equipment	Nga Tamariki	Plant and Equipment	Total
	\$	\$	\$	\$	\$	
Cost	223,431	35,673	61,287	17,964	75,003	413,358
Accumulated Depreciation	(102,738)	(28,554)	(33,933)	(9,818)	(54,874)	(229,917)
Book value	<u>120,693</u>	<u>7,119</u>	<u>27,354</u>	<u>8,146</u>	<u>20,129</u>	<u>183,441</u>

## Reconciliation of the carrying amount at the beginning and end of the year:

31 December 2017	Buildings	Furniture and Fittings	Office Equipment	Nga Tamariki	Plant and Equipment	Total
Opening balance	109,328	7,719	3,537	9,035	14,901	144,520
Additions	23,115	1,175	26,343	-	9,757	60,390
Disposals	-	-	(12)	(47)	(379)	(438)
Depreciation	(11,750)	(1,775)	(2,514)	(842)	(4,150)	(21,031)
Closing balance	<u>120,693</u>	<u>7,119</u>	<u>27,354</u>	<u>8,146</u>	<u>20,129</u>	<u>183,441</u>






### 13. Categories of financial assets and liabilities

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2017 \$	2016 \$
<b>Financial assets</b>		
<i>Loans and receivables</i>		
Cash and cash equivalents	596,500	679,558
Receivables from non-exchange transactions	100,757	101,533
Receivables from exchange transactions	10,288	3,862
Prepayments	—	11,284
	<u>707,545</u>	<u>796,237</u>
<b>Financial liabilities</b>		
<i>At amortised cost</i>		
Trade and other creditors	238,418	255,498
Employee entitlements	85,133	139,074
Finance leases payable	<u>25,754</u>	<u>—</u>
	<u>349,305</u>	<u>394,572</u>

### 14. Finance leases payable

	Year of maturity	2017 \$	2016 \$
<b>Current</b>			
Equico Finance Lease	2020	7,702	—
<b>Non-Current</b>			
Equico Finance Lease	2020	<u>18,052</u>	<u>—</u>
Total Finance leases payable		<u>25,754</u>	<u>—</u>



Future minimum lease payments	2017 \$	2016 \$
Less than one year	7,702	-
Between one and five years	18,052	-
Greater than five years	-	-
Total finance leases payable	<u>25,754</u>	<u>-</u>

## 15. Administration expenses

	2017 \$	2016 \$
ACC	12,022	12,571
Advertising	2,886	5,832
Computer expenses	1,992	4,827
Insurance	14,044	15,253
Printing Postage & Stationery	22,578	19,587
Telephone, Tolls & Internet	3,162	3,397
WINZ / Parent refunds	2,546	4,134
Other Administration expenses	<u>3,502</u>	<u>8,400</u>
Total	<u>62,732</u>	<u>74,001</u>

## 16. Repairs and maintenance

	2017 \$	2016 \$
Boiler / Bins / Skips	4,772	5,683
Building / Sheds / Roof / Painting	24,537	3,127
Electrical	2,049	892
Equipment / Whitewear repairs	2,899	1,203
Fixtures / Carpets / Blinds/ Filters	617	576
Ground / Lawns	2,649	2,468
Plumbing	2,398	786
Security / Alarms / Drills / Keys / DDS	<u>3,740</u>	<u>6,463</u>
Total	<u>43,661</u>	<u>21,198</u>




**17. Capital Commitments**

There were no capital commitments at the reporting date (2016: \$Nil).

**18. Contingent assets and liabilities**

There are no contingent assets or liabilities at the reporting date (2016: \$Nil).

**19. Events after the reporting date**

The Executive Committee and the management are not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the entity (2016: None).



*[Handwritten signature]*

*[Handwritten initials]*

