

# WAIKATO WALDORF SCHOOL ( RUDOLF STEINER)

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### School Directory

**Ministry Number:** 539

**Principal:** Sue Bradley

**School Address:** 85 Barrington Drive, Rototuna

**School Postal Address:** P O Box 12127, Chartwell Square, Hamilton, 3248

**School Phone:** 07 855 8710

**School Email:** office@waikatowaldorf.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Occupation</b>	<b>Term Expires/ Expired</b>
Andrew McFadden	Chairperson	Elected		Jun 2019
James Herbert	Chairperson	Elected		May 2022
Sue Bradley	Principal	ex Officio		
Vanessa Karsten	Parent Rep	Elected		Jun 2019
Marshall Hope	Parent Rep	Elected		May 2022
Jane Muncaster	Parent Rep	Elected		May 2022
Carl Saunders	Staff Rep	Elected		May 2022
David Gray	Proprietors Rep	Appointed		May 2022
Adam Plimmer	Proprietors Rep	Appointed		May 2022

**Accountant / Service Provider:** Education Services Ltd

# WAIKATO WALDORF SCHOOL ( RUDOLF STEINER)

Annual Report - For the year ended 31 December 2019

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# Waikato Waldorf School ( Rudolf Steiner)

## Statement of Responsibility

For the year ended 31 December 2019

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 2019 fairly reflects the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

*James Herbert*

Full Name of Board Chairperson

*Sue Bradley*

Full Name of Principal

*JH*

Signature of Board Chairperson

*S Bradley*

Signature of Principal

*16/6/20*

Date:

*16.06.2020*

Date:

**Waikato Waldorf School ( Rudolf Steiner)**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	1,474,806	1,260,437	1,351,838
Locally Raised Funds	3	171,602	109,591	118,091
Use of Land and Buildings Integrated		360,000	300,000	324,000
Interest income		3,352	-	4,156
International Students	4	5,426	-	15,634
		<u>2,015,186</u>	<u>1,670,028</u>	<u>1,813,719</u>
<b>Expenses</b>				
Locally Raised Funds	3	88,892	50,000	89,227
International Students	4	10	-	-
Learning Resources	5	1,316,405	1,098,371	1,214,916
Administration	6	98,746	99,371	91,923
Finance		707	500	1,182
Property	7	457,729	411,519	452,690
Depreciation	8	17,109	10,267	11,435
Loss on Disposal of Property, Plant and Equipment		(1,774)	-	-
Loss on Uncollectable Accounts Receivable		25	-	-
		<u>1,977,849</u>	<u>1,670,028</u>	<u>1,861,373</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>37,337</b>	<b>-</b>	<b>(47,654)</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><b>37,337</b></u>	<u><b>-</b></u>	<u><b>(47,654)</b></u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.



**Waikato Waldorf School ( Rudolf Steiner)**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
<b>Balance at 1 January</b>		153,473	201,454	201,127
Total comprehensive revenue and expense for the year		37,337	-	(47,654)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		6,246	-	-
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
<b>Equity at 31 December</b>	23	197,056	201,454	153,473
Retained Earnings		197,056	201,454	153,473
<b>Equity at 31 December</b>		197,056	201,454	153,473

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.



## Waikato Waldorf School ( Rudolf Steiner)

### Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	9	125,943	173,218	92,218
Accounts Receivable	10	88,457	88,281	91,169
Prepayments		4,832	-	961
Inventories	11	1,677	3,337	6,736
Investments	12	60,000	-	61,053
		<u>280,909</u>	<u>264,836</u>	<u>252,137</u>
<b>Current Liabilities</b>				
GST Payable		16,882	19,678	18,426
Accounts Payable	14	103,727	79,569	95,455
Revenue Received in Advance	15	3,450	-	271
Provision for Cyclical Maintenance	16	31,815	15,936	36,000
Finance Lease Liability - Current Portion	17	8,304	-	6,873
		<u>164,178</u>	<u>115,183</u>	<u>157,025</u>
<b>Working Capital Surplus/(Deficit)</b>		116,731	149,653	95,112
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	94,505	51,801	65,009
		<u>94,505</u>	<u>51,801</u>	<u>65,009</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	1,750	-	1,400
Finance Lease Liability	17	12,430	-	5,248
		<u>14,180</u>	<u>-</u>	<u>6,648</u>
<b>Net Assets</b>		<u>197,056</u>	<u>201,454</u>	<u>153,473</u>
<b>Equity</b>		<u>197,056</u>	<u>201,454</u>	<u>153,473</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes which form part of these financial statements.



**Waikato Waldorf School ( Rudolf Steiner)**

**Statement of Cash Flows**

For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		409,753	398,861	384,766
Locally Raised Funds		173,907	118,391	143,504
International Students		5,426	-	15,634
Goods and Services Tax (net)		(1,544)	-	(1,252)
Payments to Employees		(291,646)	(296,008)	(317,084)
Payments to Suppliers		(233,084)	(216,215)	(242,891)
Cyclical Maintenance Payments in the year		(5,764)	(1,200)	-
Interest Paid		(707)	(1,000)	(1,817)
Interest Received		3,806	-	3,810
Net cash from Operating Activities		60,147	2,829	(15,330)
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(27,684)	(7,000)	(13,921)
Purchase of Investments		(60,000)	-	(61,053)
Proceeds from Sale of Investments		61,053	-	-
Net cash from Investing Activities		(26,631)	(7,000)	(74,974)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		6,246	-	-
Finance Lease Payments		(6,037)	(9,680)	(4,547)
Net cash from Financing Activities		209	(9,680)	(4,547)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>33,725</b>	<b>(13,851)</b>	<b>(94,851)</b>
Cash and cash equivalents at the beginning of the year	9	92,218	187,069	187,069
<b>Cash and cash equivalents at the end of the year</b>	9	<b>125,943</b>	<b>173,218</b>	<b>92,218</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

The above Cash Flow Statement should be read in conjunction with the accompanying notes which form part of these financial statements.



# Waikato Waldorf School ( Rudolf Steiner)

## Notes to the Financial Statements

### For the year ended 31 December 2019

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Waikato Waldorf School ( Rudolf Steiner) (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.

##### b) Basis of Preparation

###### *Reporting Period*

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 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".

###### *Standard early adopted*

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 27.

###### *PBE Accounting Standards Reduced Disclosure Regime*

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

###### *Measurement Base*

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

###### *Presentation Currency*

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

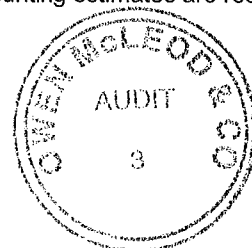
###### *Specific Accounting Policies*

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

###### *Critical Accounting Estimates And Assumptions*

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

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





#### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.

#### *Cyclical Maintenance Provision*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at Note 16.

#### **Critical Judgements in applying accounting policies**

Management has exercised the following critical judgements in applying accounting policies:

##### *Classification of leases*

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

##### *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.

#### **c) Revenue Recognition**

##### **Government Grants**

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

Operational grants are recorded as revenue when the School has 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.

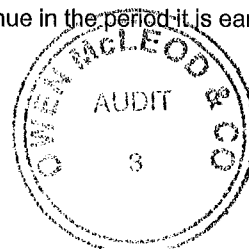
Grants for the use of land and buildings are also not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

##### **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.



**d) Use of Land and Buildings Expense**

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

**e) Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

**f) Finance Lease Payments**

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

**g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

**h) Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

**Prior Year Policy**

*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.*

**i) 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.

**j) Investments**

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

**Prior Year Policy**

*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.*

*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 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.*



## k) Property, Plant and Equipment

Land and buildings owned by the Proprietor are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

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.

### **Finance Leases**

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### **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:

Building Improvement	40 years
Furniture and Equipment	10-15 years
Information and Communication	3-5 years
Library Resources	12.5% DV

Leased assets are depreciated over the life of the lease.

## l) Intangible Assets

### *Software costs*

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.



#### **m) Impairment of property, plant, and equipment and intangible assets**

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

##### *Non cash generating assets*

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

#### **n) Accounts Payable**

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

#### **o) Employee Entitlements**

##### *Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, 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.

#### **p) Revenue Received in Advance**

Revenue received in advance relates to fees received from students and grants received 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 international students, should the School be unable to provide the services to which they relate.

#### **q) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

#### **r) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.



**s) 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).

**t) 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, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

**u) Borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

Borrowings include but not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

**v) 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.

**w) Budget Figures**

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

**x) 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.



## 2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	342,000	351,379	329,731
Teachers' Salaries Grants	1,065,194	861,096	956,299
Resource Teachers Learning and Behaviour Grants	-	-	1,350
Other MoE Grants	35,559	10,027	28,036
Other Government Grants	32,053	37,935	36,422
	<b>1,474,806</b>	<b>1,260,437</b>	<b>1,351,838</b>

## 3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
Donations	116,237	107,891	58,847
Bequests & Grants	11,354	8,000	21,500
Activities	24,759	(6,300)	26,273
Trading	10,650	-	10,711
Fundraising	8,602	-	760
	<b>171,602</b>	<b>109,591</b>	<b>118,091</b>
<b>Expenses</b>			
Activities	26,292	-	29,156
Trading	14,418	-	9,286
Fundraising (Costs of Raising Funds)	108	-	-
Kindergarten	48,074	50,000	50,785
	<b>88,892</b>	<b>50,000</b>	<b>89,227</b>
<i>Surplus for the year Locally raised funds</i>	<b>82,710</b>	<b>59,591</b>	<b>28,864</b>

## 4. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll	1	0	2
<b>Revenue</b>			
International Student Fees	5,426	-	15,634
<b>Expenses</b>			
International student levy	10	-	-
	<b>10</b>	<b>-</b>	<b>-</b>
<i>Surplus for the year International Students'</i>	<b>5,416</b>	<b>-</b>	<b>15,634</b>



## 5. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	21,385	19,126	22,454
Library Resources	862	200	-
Employee Benefits - Salaries	1,275,169	1,063,045	1,176,098
Staff Development	18,989	16,000	16,364
	<u>1,316,405</u>	<u>1,098,371</u>	<u>1,214,916</u>

## 6. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	4,800	5,520	4,500
Board of Trustees Fees	-	5,000	165
Board of Trustees Expenses	4,356	2,160	2,354
Communication	2,547	4,100	3,760
Consumables	3,663	3,200	2,702
Operating Lease	-	600	573
Other	24,986	19,351	19,178
Employee Benefits - Salaries	50,281	50,140	50,207
Insurance	-	800	-
Service Providers, Contractors and Consultancy	8,113	8,500	8,484
	<u>98,746</u>	<u>99,371</u>	<u>91,923</u>

## 7. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	21,346	20,500	22,100
Cyclical Maintenance Expense	1,929	10,000	15,314
Grounds	8,225	9,000	15,963
Heat, Light and Water	14,405	13,000	11,006
Rates	2,582	2,600	2,635
Repairs and Maintenance	16,789	12,500	15,318
Use of Land and Buildings	360,000	300,000	324,000
Security	1,951	-	3,009
Employee Benefits - Salaries	30,502	43,919	43,345
	<u>457,729</u>	<u>411,519</u>	<u>452,690</u>

The use of land and buildings figure represents 8% of the school's total property value. 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.

## 8. Depreciation

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Building Improvements	270	-	-
Furniture and Equipment	6,311	4,748	5,288
Information and Communication Technology	573	-	-
Leased Assets	9,159	4,782	5,326
Library Resources	796	737	821
	<u>17,109</u>	<u>10,267</u>	<u>11,435</u>



**9. Cash and Cash Equivalents**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	125,943	173,218	92,218
Cash equivalents for Cash Flow Statement	<u>125,943</u>	<u>173,218</u>	<u>92,218</u>

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

**10. Accounts Receivable**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	1,481	12,802	706
Receivables from the Ministry of Education	11,518	-	10,511
Banking Staffing Underuse	-	-	4,019
Interest Receivable	-	-	454
Teacher Salaries Grant Receivable	75,458	75,479	75,479
	<u>88,457</u>	<u>88,281</u>	<u>91,169</u>
Receivables from Exchange Transactions	1,481	12,802	1,160
Receivables from Non-Exchange Transactions	86,976	75,479	90,009
	<u>88,457</u>	<u>88,281</u>	<u>91,169</u>

**11. Inventories**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	1,677	3,337	6,736
	<u>1,677</u>	<u>3,337</u>	<u>6,736</u>

**12. Investments**

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	60,000	-	61,053
Total Investments	<u>60,000</u>	<u>-</u>	<u>61,053</u>





### 13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2019</b>						
Building Improvements	-	13,970	-	-	(270)	13,700
Furniture and Equipment	48,324	9,918	-	-	(6,311)	51,931
Information and Communication Tech	-	2,462	-	-	(573)	1,889
Leased Assets	11,208	20,281	(560)	-	(9,159)	21,770
Library Resources	5,477	534	-	-	(796)	5,215
<b>Balance at 31 December 2019</b>	<b>65,009</b>	<b>47,165</b>	<b>(560)</b>	<b>-</b>	<b>(17,109)</b>	<b>94,505</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2019</b>			
Building Improvements	13,970	(270)	13,700
Furniture and Equipment	135,564	(83,633)	51,931
Information and Communication	6,602	(4,713)	1,889
Leased Assets	30,904	(9,134)	21,770
Library Resources	21,330	(16,115)	5,215
<b>Balance at 31 December 2019</b>	<b>208,370</b>	<b>(113,865)</b>	<b>94,505</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2018</b>						
Furniture and Equipment	39,257	14,356	-	-	(5,288)	48,324
Leased Assets	11,192	5,341	-	-	(5,326)	11,208
Library Resources	5,934	364	-	-	(821)	5,477
<b>Balance at 31 December 2018</b>	<b>56,383</b>	<b>20,061</b>	<b>-</b>	<b>-</b>	<b>(11,435)</b>	<b>65,009</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2018</b>			
Furniture and Equipment	131,173	(82,849)	48,324
Information and Communication	4,140	(4,140)	-
Leased Assets	23,958	(12,750)	11,208
Library Resources	20,796	(15,319)	5,477
<b>Balance at 31 December 2018</b>	<b>180,067</b>	<b>(115,058)</b>	<b>65,009</b>



**14. Accounts Payable**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	21,188	-	11,506
Accruals	4,800	4,090	4,500
Capital Accruals for PPE Items	-	-	799
Employee Entitlements - Salaries	75,458	75,479	75,479
Employee Entitlements - Leave Accrual	2,281	-	3,171
	<u>103,727</u>	<u>79,569</u>	<u>95,455</u>
Payables for Exchange Transactions	103,727	79,569	95,455
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>103,727</u>	<u>79,569</u>	<u>95,455</u>

The carrying value of payables approximates their fair value.

**15. Revenue Received in Advance**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Income in Advance	3,450	-	271
	<u>3,450</u>	<u>-</u>	<u>271</u>

**16. Provision for Cyclical Maintenance**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	37,400	5,936	22,086
Increase to the Provision During the Year	1,929	10,000	15,314
Use of the Provision During the Year	(5,764)	-	-
Provision at the End of the Year	<u>33,565</u>	<u>15,936</u>	<u>37,400</u>
Cyclical Maintenance - Current	31,815	15,936	36,000
Cyclical Maintenance - Term	1,750	-	1,400
	<u>33,565</u>	<u>15,936</u>	<u>37,400</u>

**17. Finance Lease Liability**

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	8,304	-	7,043
Later than One Year and no Later than Five Years	12,430	-	5,259
	<u>20,734</u>	<u>-</u>	<u>12,302</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 Rudolf Steiner Schools (Waikato) Trust is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the proprietor collects fund 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(c). The estimated value of this use during 2019 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 and Heads of Departments.

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	-	165
Full-time equivalent members	0.04	0.03
<i>Leadership Team</i>		
Remuneration	321,866	312,839
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	321,866	313,004
Total full-time equivalent personnel	3.04	3.03

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:

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 130	110 - 120
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100 - 110	-	-
	0.00	0.00

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



## 20. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2019 Actual	2018 Actual
Total	\$4,000	-
Number of People	1	-

## 21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: nil).

### Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

## 22. Commitments

### (a) Capital Commitments

There are no capital commitments as at 31 December 2019 (Capital commitments at 31 December 2018: nil).

### (b) Operating Commitments

There are no operating commitments as at 31 December 2019 (Operating commitments at 31 December 2018: nil).

## 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:

### Financial assets measured at amortised cost (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	125,943	173,218	92,218
Receivables	88,457	88,281	91,169
Investments - Term Deposits	60,000	-	61,053
Total Financial assets measured at amortised cost	<u>274,400</u>	<u>261,499</u>	<u>244,440</u>

### Financial liabilities measured at amortised cost

Payables	103,727	79,569	95,455
Borrowings - Loans	-	-	-
Finance Leases	20,734	-	12,121
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>124,461</u>	<u>79,569</u>	<u>107,576</u>

## 25. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

## 26. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.

## 27. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 10 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
- Note 12 Investments:

Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements.

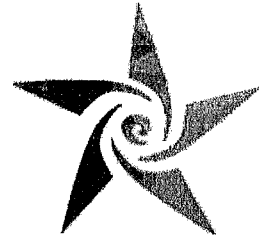
## 28. Breach of Law - Statutory Reporting

The Board of Trustees has failed to comply with section 87 of the Education Act 1989, as the Board were unable to provide their audited financial statements to the Ministry of Education by 31 May 2020. The disruption caused by the Covid-19 restrictions, including the closure of the school, meant that the audit could not progress as planned. This resulted in the school missing the statutory deadline.



# Waikato Waldorf School

*...developing the whole child*



## **Kiwisport Note**

For the year ended 31 December 2019

Kiwisport is a government funding initiative to support students' participation in organized sport.

In 2019 the school received total Kiwisport funding of \$2,126.73 excluding GST.

This funding was spent on Junior High School bus hire (Waikato Car & Commercial Rentals, Hamilton).