

## Fairfield College

### Statement of Comprehensive Revenue and Expense

for the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Revenue</b>				
Government grants	2	8,069,956	2,130,275	7,932,124
Locally raised funds	3	369,190	195,270	271,192
Interest earned		7,555	6,719	11,821
		<u>8,446,701</u>	<u>2,332,264</u>	<u>8,215,137</u>
<b>Expenses</b>				
Locally raised funds	3	247,937	135,689	130,073
Learning resources	4	5,080,068	1,144,491	5,162,155
Administration	5	494,543	540,402	536,838
Finance costs		3,207	-	2,967
Property	6	2,434,135	498,180	2,365,893
Depreciation	7	218,188	-	247,265
Loss on disposal of property, plant and equipment		40,292	-	11,216
		<u>8,518,370</u>	<u>2,318,762</u>	<u>8,456,407</u>
<b>Net Surplus (Deficit) for the year</b>		<u>(71,669)</u>	<u>13,502</u>	<u>(241,270)</u>
Other comprehensive revenue and expenses		-	-	-
<b>Total comprehensive revenue and expense for the year</b>		<u><u>(71,669)</u></u>	<u><u>13,502</u></u>	<u><u>(241,270)</u></u>

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



## Fairfield College

### Statement of Changes in Net Assets / Equity

for the year ended 31 December 2017

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Balance at 1 January</b>	1,011,260	1,011,260	1,223,971
Total comprehensive revenue and expense for the year	(71,669)	13,502	(241,270)
Prior period adjustment - TELA leases	-	-	(696)
Capital contributions from the Ministry of Education: Contribution - furniture and equipment grant	9,197	34,192	29,255
<b>Equity at 31 December</b>	<u>948,788</u>	<u>1,058,954</u>	<u>1,011,260</u>
Retained Earnings	948,788	1,058,954	1,011,260
<b>Equity at 31 December</b>	<u>948,788</u>	<u>1,058,954</u>	<u>1,011,260</u>

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



## Fairfield College

### Statement of Financial Position

as at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Current Assets</b>				
Cash and cash equivalents	8	349,654	(8,056)	196,798
Accounts receivable	9	305,686	278,909	278,909
GST receivable		17,177	21,262	21,262
Prepayments		5,965	10,481	10,481
Inventories	10	1,298	907	907
Investments	11	7,000	7,000	7,000
		<u>686,780</u>	<u>310,503</u>	<u>515,357</u>
<b>Current Liabilities</b>				
Accounts payable	13	395,997	354,926	354,926
Revenue received in advance	14	40,645	-	65,961
Provision for cyclical maintenance	15	71,295	17,400	55,132
Painting contract liability - current portion	16	48,737	39,900	39,900
Finance lease liability - current portion	17	75,650	79,531	83,160
Funds held for capital works projects	18	90,216	-	10,059
		<u>722,540</u>	<u>491,757</u>	<u>609,138</u>
<b>Working Capital Surplus / (Deficit)</b>		(35,760)	(181,254)	(93,781)
<b>Non Current Assets</b>				
Property, plant and equipment	12	1,297,651	1,524,547	1,481,312
<b>Non Current Liabilities</b>				
Provision for cyclical maintenance	15	206,559	194,478	158,142
Painting contract liability	16	42,547	34,326	83,063
Finance lease liability	17	56,997	48,535	128,066
Tennie Memorial		7,000	7,000	7,000
		<u>313,103</u>	<u>284,339</u>	<u>376,271</u>
<b>Net Assets</b>		<u>948,788</u>	<u>1,058,954</u>	<u>1,011,260</u>
<b>Equity</b>		<u>948,788</u>	<u>1,058,954</u>	<u>1,011,260</u>

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



## Fairfield College

### Statement of Cash Flows

for the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government grants		2,289,540	2,130,275	2,169,440
Locally raised funds		355,584	129,309	276,444
Goods and Services Tax (net)		4,085	-	(22,856)
Payments to employees		(1,390,176)	(1,282,242)	(1,335,049)
Payments to suppliers		(1,014,873)	(1,037,916)	(1,014,111)
Interest paid		(3,207)	-	(2,967)
Interest received		7,626	6,719	18,063
<b>Net cash from the operating activities</b>		<b>248,579</b>	<b>(53,855)</b>	<b>88,964</b>
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(67,541)	(43,235)	(114,063)
Proceeds from the sale of investments		-	-	304,137
<b>Net cash (to) the investing activities</b>		<b>(67,541)</b>	<b>(43,235)</b>	<b>190,074</b>
<b>Cash flows from Financing Activities</b>				
Furniture and equipment grant		9,197	34,192	29,255
Finance lease payments		(85,857)	(83,160)	(104,854)
Painting contract payments		(31,679)	(48,737)	(33,726)
Loans received/ Repayment of loans		-	-	-
Funds held for capital works projects		80,157	(10,059)	(223,571)
<b>Net cash (to) financing activities</b>		<b>(28,182)</b>	<b>(107,764)</b>	<b>(332,896)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>152,856</b>	<b>(204,854)</b>	<b>(53,858)</b>
Cash and cash equivalents at the beginning of the year	8	196,798	196,798	250,656
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>349,654</b>	<b>(8,056)</b>	<b>196,798</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 Statement of Cash Flows should be read in conjunction with the accompanying notes.



# Fairfield College

## Notes to the Financial Statements

for the year ended 31 December 2017

### 1. Statement of Accounting Policies

#### a) Reporting entity

Fairfield College (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view the School is a public benefit entity for financial reporting purposes.

#### b) Basis of Preparation

##### *Reporting Period*

The financial reports have been prepared for the period 1 January 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

##### *Basis of Preparation*

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

##### *Financial reporting standards applied*

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

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

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

##### *Measurement base*

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

##### *Presentation currency*

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



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

***Specific accounting policies***

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

***Critical Accounting Estimates and Assumptions***

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

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

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

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

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

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

***Classification of leases***

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operating or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

***Recognition of grants***

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

**c) Revenue Recognition**

***Government grants***

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

*Operational grants* are recorded as revenue when the School has rights to the funding, which is in the year that the funding is received.

*Teachers salaries grants* are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

*Use of land and buildings grants* are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using land and buildings which are owned by the Crown.

***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.



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

***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 Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

**e) Operating Lease Payments**

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

**f) Finance Lease Payments**

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

**g) Cash and Cash Equivalents**

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

**h) Accounts Receivable**

Accounts receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all the amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

**i) Inventories**

Inventories are consumable items held for sale and comprises stationery . 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.



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

**j) Investments**

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance.

After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

The School has met the requirements under section 28 of schedule 6 of the Education Act 1989 in relation to the acquisition of securities.

**k) Property, Plant, and Equipment**

Land and buildings owned by the Crown 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 Crown 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 \$1,000 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.



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**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:

Building improvements - Crown	40 years
Furniture and equipment	10 years
Information and communication technology	3-5 years
Motor vehicles	5 years
Textbooks	4 years
Leased assets held under a finance lease	3-5 years
Active learning centre	10 years
Sports equipment	2 years
Other equipment	10 years
Library resources	12.5% diminishing value

**l) 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.

**m) 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.



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

**n) Employee Entitlements**

***Short-term employee entitlements***

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

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

**o) Revenue Received in Advance**

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

**p) Provision for Cyclical Maintenance**

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

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

**q) Financial Assets and Liabilities**

The School's financial assets comprise cash and cash equivalents, accounts receivable and investments. All of these financial assets, except for investments that are shares, are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

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.

**r) Goods and Services Tax (GST)**

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

**s) Budget Figures**

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

**t) Services Received In-Kind**

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



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>2. Government grants</b>			
Operational grants	1,946,692	1,821,332	1,815,129
Teachers' salaries grants	3,841,771	-	3,976,362
Use of land and buildings grants	1,900,087	-	1,786,322
Other MOE grants	381,406	308,943	354,311
	<u>8,069,956</u>	<u>2,130,275</u>	<u>7,932,124</u>

**3. Locally raised funds**

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

**Revenue**

Donations	37,606	11,500	63,068
Fundraising	29,036	55,305	24,299
Other revenue	52,123	51,285	58,232
Trading	61,982	3,703	43,640
Activities	158,443	43,477	48,303
Community pool	30,000	30,000	33,650
	<u>369,190</u>	<u>195,270</u>	<u>271,192</u>

**Expenses**

Fundraising (costs of raising funds)	16,959	50,317	16,155
Trading	4,922	3,679	2,879
Activities	208,145	62,949	96,526
Community pool	17,911	18,744	14,513
	<u>247,937</u>	<u>135,689</u>	<u>130,073</u>

**Surplus (deficit) for the year locally raised funds**

	<u>121,253</u>	<u>59,581</u>	<u>141,119</u>
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**4. Learning resources**

Curricular	239,049	237,000	213,450
Information and communication technology	9,607	8,859	8,525
Extra-curricular activities	1,165	-	1,528
Library resources	2,919	2,300	2,286
Employee benefits - salaries	4,815,541	881,138	4,920,375
Staff development	11,787	15,194	15,991
	<u>5,080,068</u>	<u>1,144,491</u>	<u>5,162,155</u>



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>5. Administration</b>			
Audit fees	8,486	8,640	8,361
Board of Trustees fees	3,433	7,046	2,633
Board of Trustees expenses	1,419	3,882	6,036
Communication	14,054	15,664	15,011
Consumables	79,511	107,977	102,859
Operating lease	953	9,177	3,609
Other	49,246	49,281	52,932
Employee benefits - salaries	318,073	323,327	326,118
Insurance	16,878	13,158	16,804
Service providers, contractors, consultancy	2,490	2,250	2,475
	494,543	540,402	536,838

**6. Property**

Caretaking and cleaning consumables	8,676	12,506	11,262
Consultancy and contract services	96,017	93,120	89,703
Cyclical maintenance provision	64,580	53,736	135,168
Grounds	49,309	39,863	39,933
Heat, light, and water	97,944	102,537	100,411
Rates	11,908	10,468	10,467
Repairs and maintenance	93,562	69,846	88,066
Use of land and buildings	1,900,087	-	1,786,322
Security	11,291	20,834	17,218
Employee benefits - salaries	100,761	95,270	87,343
	2,434,135	498,180	2,365,893

The use of land and buildings figure represents 8% of the school's total property value. This is used as a "proxy" for the market rental of the property. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

**7. Depreciation**

Building improvements - crown	41,336	-	41,530
Furniture and equipment	23,251	-	25,365
Information and communication	99,652	-	126,444
Motor vehicles	450	-	451
Textbooks	6,540	-	7,748
Leased assets	22,110	-	15,307
Active learning centre	15	-	188
Sports equipment	2,098	-	1,506
Library resources	3,184	-	3,515
Other fixed assets	19,552	-	25,211
	218,188	-	247,265



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>8. Cash and Cash Equivalents</b>			
ASB Current account	88,735	(8,056)	25,975
ASB SSC AP Payers account	4,513	-	992
ASB Saver account	155,506	-	105,410
ASB Jubilee account	13,292	-	13,127
ASB Project account	86,608	-	50,025
ASB Student Council account	825	-	1,094
Petty cash	175	-	175
Net cash and cash equivalents and bank overdraft for Statement of Cash Flows	<u>349,654</u>	<u>(8,056)</u>	<u>196,798</u>

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

Of the \$349,654 Cash and Cash Equivalents, \$97,210 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2018 on Crown owned school buildings under the School's Five Year Property Plan.

**9. Accounts Receivable**

Receivables	69,358	38,691	38,691
Interest receivable	96	167	167
Teacher salaries grant receivable	236,232	240,051	240,051
	<u>305,686</u>	<u>278,909</u>	<u>278,909</u>

Receivables from exchange transactions	69,454	38,858	38,858
Receivables from non-exchange transactions	236,232	240,051	240,051
	<u>305,686</u>	<u>278,909</u>	<u>278,909</u>

**10. Inventories**

Stationery	<u>1,298</u>	<u>907</u>	<u>907</u>
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**11. Investments**

The School's investment activities are classified as follows:

**Current Asset:**

Short term bank deposits	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>
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Fairfield College  
Notes to the Financial Statements (cont'd)  
for the year ended 31 December 2017

12. Property, Plant and Equipment

	Opening Balance					Total (NBV)
	NBV	Additions	Disposals	Impairment	Depreciation	
	\$	\$	\$	\$	\$	
<b>2017</b>						
Building improvements - Crown	938,354	-	-	-	(41,336)	897,018
Furniture & equipment	100,617	1,934	(3,677)	-	(23,251)	75,623
Information and communication	282,790	57,251	(26,278)	-	(99,652)	214,111
Motor vehicles	3,280	-	-	-	(450)	2,830
Textbooks	15,868	1,676	-	-	(6,540)	11,004
Leased assets	41,113	7,278	-	-	(22,110)	26,281
Active learning centre	15	-	-	-	(15)	-
Sports equipment	2,690	-	-	-	(2,098)	592
Library resources	24,604	3,429	(2,559)	-	(3,184)	22,290
Other fixed assets	71,981	3,251	(7,778)	-	(19,552)	47,902
Balance at 31 December 2017	1,481,312	74,819	(40,292)	-	(218,188)	1,297,651

	Cost or Valuation	Accumulated Depreciation	Net Book Value
<b>2017</b>			
Building improvements - Crown	1,655,503	758,485	897,018
Furniture & equipment	147,387	71,764	75,623
Information and communication	472,910	258,799	214,111
Motor vehicles	4,500	1,670	2,830
Textbooks	23,878	12,874	11,004
Leased assets	70,642	44,361	26,281
Active learning centre	-	-	-
Sports equipment	4,196	3,604	592
Library resources	125,822	103,532	22,290
Other fixed assets	175,698	127,796	47,902
Balance at 31 December 2017	2,680,536	1,382,885	1,297,651

	Opening Balance					Total (NBV)
	NBV	Additions	Disposals	Impairment	Depreciation	
	\$	\$	\$	\$	\$	
<b>2016</b>						
Building improvements - Crown	977,730	2,154	-	-	(41,530)	938,354
Furniture & equipment	103,247	22,735	-	-	(25,365)	100,617
Information and communication	330,490	78,744	-	-	(126,444)	282,790
Motor vehicles	3,731	-	-	-	(451)	3,280
Textbooks	21,153	2,463	-	-	(7,748)	15,868
Leased assets	-	56,420	-	-	(15,307)	41,113
Active learning centre	203	-	-	-	(188)	15
Sports equipment	-	4,196	-	-	(1,506)	2,690
Library resources	35,563	3,771	(11,215)	-	(3,515)	24,604
Other fixed assets	97,192	-	-	-	(25,211)	71,981
Balance at 31 December 2016	1,569,309	170,483	(11,215)	-	(247,265)	1,481,312



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

**12. Property, Plant and Equipment (cont'd)**

	<b>Cost or Valuation</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
<b>2016</b>			
Building improvements - Crown	1,655,503	717,149	938,354
Furniture & equipment	1,266,962	1,166,345	100,617
Information and communication	2,074,650	1,791,860	282,790
Motor vehicles	28,500	25,220	3,280
Textbooks	332,697	316,829	15,868
Leased assets	56,420	15,307	41,113
Active learning centre	20,401	20,386	15
Sports equipment	149,204	146,514	2,690
Library resources	136,602	111,998	24,604
Other fixed assets	658,969	586,988	71,981
Child Care centre	21,719	21,719	-
Balance at 31 December 2016	<u>6,401,627</u>	<u>4,920,315</u>	<u>1,481,312</u>

	<b>2017 Actual \$</b>	<b>2017 Budget (Unaudited) \$</b>	<b>2016 Actual \$</b>
<b>13. Accounts Payable</b>			
Operating creditors	108,496	54,543	54,543
Banking staffing overuse	19,059	29,277	29,277
Employee entitlements - salaries	237,760	241,421	241,421
Employee entitlements - leave accrual	30,682	29,685	29,685
	<u>395,997</u>	<u>354,926</u>	<u>354,926</u>
Payables for exchange transactions	395,997	354,926	354,926
Payables for non-exchange transactions - taxes payable (PAYE and rates)	-	-	-
Payables for non-exchange transactions - other	-	-	-
	<u>395,997</u>	<u>354,926</u>	<u>354,926</u>

The carrying value of payables approximates their fair value

**14. Revenue received in Advance**

Ministry of Education grants	5,028	-	18,056
F Hausman	1,115	-	1,365
Student automatic payments	15,404	-	14,407
Sport Waikato	5,625	-	-
ITM	460	-	-
Jubilee Fund	9,170	-	9,171
Landscaping Fund	3,843	-	3,843
Other	-	-	19,119
	<u>40,645</u>	<u>-</u>	<u>65,961</u>



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	
<b>15. Provision for Cyclical Maintenance</b>			
Provision at the start of the year	213,274	213,274	128,550
Increase to the provision during the year	64,580	53,736	135,168
Use of the provision during the year	-	(55,132)	(50,444)
Provision at the end of the year	<u>277,854</u>	<u>211,878</u>	<u>213,274</u>
Cyclical maintenance - current	71,295	17,400	55,132
Cyclical maintenance - term	206,559	194,478	158,142
	<u>277,854</u>	<u>211,878</u>	<u>213,274</u>

**16. Painting Contract Liability**

Current liability	48,737	39,900	39,900
Non current liability	42,547	34,326	83,063
	<u>91,284</u>	<u>74,226</u>	<u>122,963</u>

In 2007 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering a fourteen year period. The programme provides for two exterior repaints of the Ministry owned buildings in 2007 and 2014, with regular maintenance in subsequent years. The agreement has an annual commitment of \$39,900 (with annual CPI adjustment). The liability is the best estimate of the actual amount of work completed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the time value of money.

**17. Finance Lease Liability**

The School has entered into five finance lease agreements for computer equipment, a telephone system and teacher laptops. Minimum lease payments payable:

No later than one year	75,650	79,531	83,160
Later than one year and no later than five years	56,997	48,535	128,066
Later than five years	-	-	-
	<u>132,647</u>	<u>128,066</u>	<u>211,226</u>



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

**18. Funds Held for Capital Works Projects**

During the year the school received and applied funding from the Ministry of Education for the following capital works projects:

2017	Opening Balances \$	Receipts from MOE \$	Payments \$	Closing Balances \$
Gym re-roofing (completed)	10,059	-	10,059	-
Rationalisation (in progress)	-	128,040	100,365	27,675
C Block refurbishment (in progress)	-	27,180	18,626	8,554
Key replacement (in progress)	-	60,981	-	60,981
ALC carpet (in progress)	-	9,687	12,831	(3,144)
D Block refurbishment (in progress)	-	-	3,850	(3,850)
	<u>10,059</u>	<u>225,888</u>	<u>145,731</u>	<u>90,216</u>

**Represented by:**

Funds held on behalf of the Ministry of Education	97,210
Funds due from the Ministry of Education	(6,994)
	<u>90,216</u>

2016	Opening Balances \$	Receipts from MOE \$	Payments \$	Closing Balances \$
Fire alarm upgrade (completed)	(6,726)	4,070	(2,656)	-
Gym re-roofing (in progress)	238,919	10,246	239,106	10,059
F Block re-roofing (completed)	1,564	-	1,564	-
Gym lighting upgrade (completed)	(127)	61,199	61,072	-
Emergency gas leak (completed)	-	17,977	17,977	-
	<u>233,630</u>	<u>93,492</u>	<u>317,063</u>	<u>10,059</u>

**19. Related Party Transactions**

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

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



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

**20. Remuneration**

**Key management personnel compensation**

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

	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>Board Members</b>		
Remuneration	3,433	2,633
Full time equivalent members	0.12	0.15
<b>Leadership Team</b>		
Remuneration	429,875	431,737
Full time equivalent members	4.00	4.00
Total key management personnel remuneration	<u>433,308</u>	<u>434,370</u>
Total full time equivalent personnel	<u>4.12</u>	<u>4.15</u>

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:

	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>
Salaries and other short term employee benefits:		
Salary and other payments	150 - 160	150 - 160
Benefits and other emoluments	4 - 5	Nil
Termination benefits	Nil	Nil

**Other Employees**

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

<b>Remuneration</b>	<b>2017</b>	<b>2016</b>
<b>\$000</b>	<b>FTE</b>	<b>FTE</b>
100 - 110	1	2

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



**Fairfield College**  
**Notes to the Financial Statements (cont'd)**  
**for the year ended 31 December 2017**

**21. Compensation and Other Benefits Upon Leaving**

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

	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Actual</b>
Total value	Nil	Nil
Number of people	Nil	Nil

**22. Contingencies**

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

**23. Commitments**

**(a) Capital Commitments**

As at 31 December 2017 the Board has not entered into any contract agreements for capital works.  
(Capital commitments at 31 December 2016 - nil).

**(b) Operating Commitments**

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

	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
(a) Operating lease of laptops:		
No later than one year	-	692
Later than one year and no later than five years	-	-
Later than five years	-	-
	<u>-</u>	<u>692</u>

**24. Managing Capital**

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that revenue exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.



Fairfield College  
Notes to the Financial Statements (cont'd)  
for the year ended 31 December 2017

**25. Financial Instruments**

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Cash and receivables</b>			
Cash and cash equivalents	349,654	-8,056	196,798
Receivables	305,686	278,909	278,909
Investments - term deposits	7,000	7,000	7,000
Total cash and receivables	<u>662,340</u>	<u>277,853</u>	<u>482,707</u>
<b>Financial liabilities measured at amortised cost</b>			
Payables	395,997	354,926	354,926
Finance leases	132,647	128,066	211,226
Painting contract liability	91,284	74,226	122,963
Total financial liabilities measured at amortised cost	<u>619,928</u>	<u>557,218</u>	<u>689,115</u>

**26. Events After Balance Date**

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

