

RAPHAEL HOUSE RUDOLF STEINER SCHOOL



2010 Annual Report and Financial Statements

School Number: 133

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RAPHAEL HOUSE MISSION STATEMENT

To help each and every student progress towards becoming a free, responsible and caring individual able to impart purpose and direction in his or her own life and as a citizen able to contribute in manifold as well as unique ways to human society.

“In thinking, clarity;

In feeling, warmth of heart;

In willing, thoughtfulness.”

Rudolf Steiner (1861-1925)

Analysis of Variance

On

Annual Targets

2010

RAPHAEL HOUSE RUDOLF STEINER SCHOOL

ANNUAL REPORT

FROM THE SCHOOL CO-ORDINATOR/PRINCIPAL

FOR THE YEAR ENDED 31 DECEMBER 2010

ANALYSIS OF VARIANCE FOR THE PERIOD – 1 JANUARY 2010 – 31 DECEMBER 2010

STRATEGIC GOAL: LOWER SCHOOL TARGET

- Class 3-7 use the spelling programme effectively in classes to raise student achievement.

STRATEGIES AND PROCESSES

Measure	2010 Target	Progress Report / Action Taken
<p>The annual target for Spelling for 2010 was stated as:</p> <p>The class that has worked on the programme for the longest time is the present Class 6. They began it about half way through Class 3. We have compared their results for the Burt Spelling test done at the beginning of Class 4 with their results for the test at the end of Class 5 to see how many pupils made progress of about 2 or more years.</p> <p>This shows that 50% of the students who have been in the class from the beginning of Class 4 to the end of Class 5 have made progress of 2 or more years.</p>	<p>That 75% of pupils would have made at least 3 years progress in 3 years after working on the new spelling programme“Spelling Rules”.</p>	<p>Meetings held with Lower School Teachers to build a picture and a practical understanding of how the programme is implemented and used effectively in each class (timing, lesson structure, etc).</p> <p>To continue to use the Spelling Programme in those classes that have already begun using it, and introduce it to Classes 3 and 4. To monitor student progress.</p>

ANALYSIS OF VARIANCE FOR THE PERIOD – 1 JANUARY 2010 – 31 DECEMBER 2010

STRATEGIC GOAL: UPPER SCHOOL TARGET

- Raise student achievement by reducing the number of Class 10 Students not gaining the Steiner Certificate to 2 or less in 2010.

STRATEGIES AND PROCESSES

Measure	2010 Target	Progress Report / Action Taken
<p>Student data identifies that the target for 2010 has not been met.</p> <p>2008 – 4 students not gained SC out of 18 students.</p> <p>2009 – 6 students not gained SC out of 18 students.</p> <p>2010 – 8 students not gained out of 21 students.</p>	<p>Steiner Certificate</p> <p>Reduce the number of Class 10 Students not gaining the Steiner Certificate to two or less in 2010.</p>	<p>To monitor student progress along with early feedback to parents and students who are not achieving.</p> <p>Individual meetings with Teachers/Parents /Students. To identify learning needs and to put action/support in plans.</p> <p>Termly reports to Parents and Students with feedback on Student progress.</p>

Summary of Results 2008							
Class	Level	Awarded	Highly Commended	Distinction	Total Awarded	Not Gained	Total No. of Students
10	1	7	6	1	14	4	18

Summary of Results 2009							
Class	Level	Awarded	Highly Commended	Distinction	Total Awarded	Not Gained	Total No. of Students
10	1	7	4	1	12	6	18

Summary of Results 2010							
Class	Level	Awarded	Highly Commended	Distinction	Total Awarded	Not Gained	Total No. of Students
10	1	5	4	4	13	8	21

Members of the Board of Trustees 2010

Raphael House Rudolf Steiner School

Name	Position	How Position on Board was Gained	Occupation	Employer	Term Expired / Expires
Adrian von Aesch	<i>Proprietors' Rep</i> (Chair from Oct 2009)	Appointed April 2009	Enterprise Architect	Hewlett-Packard	October 2012
Karen Brice-Geard	School Principal	Appointed	Principal	Raphael House Rudolf Steiner School	
Paul Denford	Proprietors' Rep	Appointed February 2010	Teacher	Te Ra	February 2013
Chris Penman	Parent Rep <i>Proprietors' Rep</i>	Elected May 2010 <i>Appointed Oct 2006</i>	IT Consultant	Self Employed	April 2013
Carolyn van Leuven	Parent Rep	Re-elected May 2010 (Co-opted 2008)	Director Energy and Communications	Ministry of Economic Development	April 2013
Anne-Marie Beeler	Parent Rep	Elected May 2010	Teacher	Correspondence School NZ	April 2013
Richard Howard	Parent Rep	Elected May 2010	Self Employed	HRH Associates	April 2013
Phillip Robinson	Staff Rep	Re-elected May 2010 (first Elected Sept 2009)	Teacher	Raphael House Rudolf Steiner School	April 2013
Ruby Harrison	Student Rep	Re-elected September 2010 (first elected Sept 2009)	Student	Raphael House Rudolf Steiner School	September 2011
Catherine Ross	Parent Rep (Board chair till Feb 2009)	Re-elected April 2007	Manager	Open Polytechnic	April 2010
Toni Weir	Parent Rep	Re-elected April 2007	Team Leader: Registrar of Electors	Elections NZ	April 2010
Glen McCauley	Parent Rep (Board Chair till Oct 2009)	Elected April 2007	IT Security Consultant	e risk.co.nz	April 2010

Statement of Responsibility

For the year ended 31 December 2010

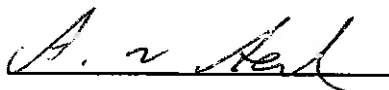
The Board of Trustees has pleasure in presenting the annual report of Raphael House Rudolf Steiner School (the School), incorporating the financial statements and the auditor's report, for the year ended 31 December 2010.

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these statements.

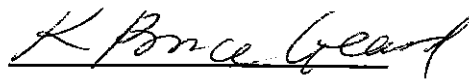
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the School's financial reporting.

In the opinion of the Board and management, the annual financial statements for the financial year fairly reflect the financial position and operations of the School.


The School's 2010 financial statements are authorised for issue by the Board Chairperson and Principal.



Chairperson



Principal



Date



Date

**Raphael House
Rudolf Steiner School
Statement of Comprehensive Income
For the year ended 31 December 2010**

	Notes	2010 <u>Actual</u> \$	2010 <u>Budget</u> \$	2009 <u>Actual</u> \$
<u>Income</u>				
Government Grants	2	2,718,456	2,086,615	2,515,651
Use of Land and Buildings		348,750	348,750	348,750
Local Fundraising	3	263,570	380,000	387,840
Other Income	4	192,152	187,371	187,497
Interest		7,825	1,000	1,187
Total Revenue		3,530,753	3,003,736	3,440,925
<u>Expenses</u>				
Fundraising (costs of raising funds)	3	0	0	0
Other Income Expenditure	4	53,868	64,973	60,101
Learning Resources	5	2,538,972	2,029,885	2,426,678
Administration	6	268,316	310,995	300,527
Property	7	533,745	570,029	514,435
Depreciation	8	15,573	16,438	24,855
Total Expenses		3,410,474	2,992,320	3,326,596
Net surplus / (deficit) for year		120,279	11,416	114,329
Other Comprehensive Income		0	0	0
Total Comprehensive Income		120,279	11,416	114,329

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

**Raphael House
Rudolf Steiner School
Statement of Changes in Equity
For the year ended 31 December 2010**

	2010 <u>Actual</u> \$	2010 <u>Budget</u> \$	2009 <u>Actual</u> \$
Equity at the start of the year	<u>37,542</u>	<u>37,542</u>	<u>(76,787)</u>
Total comprehensive income	120,279	11,416	114,329
Equity at the end of the year	<u>157,821</u>	<u>48,958</u>	<u>37,542</u>

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

**Raphael House
Rudolf Steiner School
Statement of Financial Position
As at 31 December 2010**

		2010	2010	2009
	Notes	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
		\$	\$	\$
Equity		157,821	48,958	37,542
Total Equity		157,821	48,958	37,542
Represented by:				
<u>Current Assets</u>				
Cash and Cash Equivalents	9	73,274	162,044	183,126
Petrol Vouchers		1,070	500	1,970
Accounts receivable	10	187,248	220,000	285,622
Prepayments		6,751	7,216	7,154
Investments	11	275,474	60,000	0
Total Current Assets		543,817	449,760	477,872
<u>Current Liabilities</u>				
Accounts Payable		19,176	20,500	21,385
Homestay Funds Held in Trust		17,000	17,000	0
Other Current Liabilities	13	196,669	205,085	205,921
Income Received in Advance	14	26,799	31,000	32,095
Provision for Cyclical Maintenance	15	9,225	9,225	11,277
Painting Contract Liability	16	37,737	37,737	37,737
Finance Lease Liability	17	0	0	3,016
Total Current Liabilities		306,606	320,547	311,431
Working Capital Surplus (Deficit)		237,211	129,213	166,441
<u>Non-current Assets</u>				
Plant & Equipment	12	108,736	107,871	75,374
Total Non-current Assets		108,736	107,871	75,374
<u>Non-current Liabilities</u>				
Provision for Cyclical Maintenance	15	50,114	50,114	28,250
Painting Contract Liability	16	138,012	138,012	170,164
Finance Lease Liability	17	0	0	5,859
Total Non-current liabilities		188,126	188,126	204,273
Net Assets		157,821	48,958	37,542

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

Notes to the Financial Statements

For the year ended 31 December 2010

1. Statement of Significant Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

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 New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate to public benefit entities that qualify for differential reporting.

Differential reporting

The School qualifies for differential reporting exemptions because it is not publicly accountable as defined in the Framework for Differential Reporting (the Framework) and it is not large. Many of the reporting exemptions available under the Framework have been applied.

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.

Specific accounting policies

The accounting policies used in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented.

c) Income Recognition

Government grants

Operational grants are recorded as income as received. Teachers' salaries grants are not received in cash by the school but are paid directly to teachers by the Ministry of Education (the Ministry). They are recorded as income in the salary period they relate to. Other grants are recorded as income as received unless there are unfulfilled conditions attaching to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to income 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 buildings.

Donations

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

Interest income

Interest income on cash and cash equivalents and investments is recorded as income 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 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 Proprietor.

e) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Income 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 three months or less, and bank overdrafts. The carrying amount of cash and cash equivalents represents fair value.

h) Accounts Receivable

'Accounts Receivable' represent items that the School has issued invoices for, but has not received payment for at year end. They are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A provision for impairment of Accounts Receivable is established where there is objective evidence the School will not be able to collect all amounts due according to the original terms of the debt.

j) Investments

Investments are held with registered trading banks and are classified as current assets if they have maturities of between three months and one year. Those with maturities greater than 12 months after the balance date are classified as non-current assets.

After initial recognition, investments are measured at amortised cost using the effective interest method less impairment.

At balance date the School assesses whether there is any objective evidence that an investment is impaired. Any impairment loss is recorded as an expense in the Statement of Comprehensive Income.

The School has met the requirements under section 73 of the Education Act 1989 in relation to the acquisition of securities.

k) 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.

Plant and equipment acquired on or before 1 October 1989 is recorded at deemed cost based on fair value as at that date, less accumulated depreciation and impairment losses.

Plant and equipment acquired after 1 October 1989 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.

Plant and equipment acquired with individual values under \$250 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Income.

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 or plant and equipment is recognised in the Statement of Comprehensive Income.

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. The leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

Depreciation

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 Income.

The estimated useful lives of the assets are:

Furniture and equipment	4 - 20 years
Plant and machinery	4 - 10 years
Information and communication technology	3 - 5 years
Library resources	12% Diminishing Value
Motor vehicle	5 years

l) Intangible Assets

Software

Software acquired by the School is 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 Income when incurred.

Computer software licences with individual values under \$250 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Income when incurred.

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

m) Accounts Payable

'Accounts Payable' represent 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.

n) Employee Entitlements

Salary Accruals

Salary accruals mainly reflect annual leave owing to teachers and ancillary staff and are recognised in respect of employees' services to balance date and are measured at the amounts expected to be paid when the liabilities are settled. There is a corresponding teacher's salaries grant receivable from the Ministry to fund the liability.

Leave Accruals

No provision is required to be recognised for sick leave for any teachers, irrespective of whether a school is above its teaching entitlement as in practice most teacher sick leave is grant funded by the Ministry.

o) Income Received in Advance

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

The School guarantees to hold 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.

p) Funds held in trust

Funds are held in trust where they have been received by the School for a specified purpose. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

p) Provision for Cyclical Maintenance

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

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

q) Financial Assets and Liabilities

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

The School's financial liabilities comprise: accounts payable, funds held on behalf of the Ministry of Education, painting contract liability, provision for cyclical maintenance and GST payable. 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 GST inclusive.

s) Budget figures

The budget figures are extracted from the School budget that was approved by the Board of Trustees.

2 Government Grants

Government grants are made up of:	<u>2010</u> <u>Actual</u> \$	<u>2010</u> <u>Budget</u> \$	<u>2009</u> <u>Actual</u> \$
Operations Grants	490,690	490,965	494,954
Teachers Salaries Grant	2,091,712	1,480,056	1,903,587
ORRS Grant	113,993	100,640	93,005
Other Government Grants	22,061	14,954	24,105
	2,718,456	2,086,615	2,515,651

3 Local Fundraising

Local funds raised within the school's community are made up of:	<u>2010</u> <u>Actual</u> \$	<u>2010</u> <u>Budget</u> \$	<u>2009</u> <u>Actual</u> \$
Income			
Wage Reimbursements from Teachers	60,899	0	0
Other Donations	10,393	0	1,367
Fundraising - Proprietors Contribution	187,000	374,000	373,992
Fundraising - Other	5,278	6,000	12,481
	263,570	380,000	387,840
Expenditure			
Fundraising (costs of raising funds)	0	0	0
	263,570	380,000	387,840

4 Other Income

	<u>2010</u> <u>Actual</u> \$	<u>2010</u> <u>Budget</u> \$	<u>2009</u> <u>Actual</u> \$
Income			
Activities	139,165	150,549	142,903
Trading	1,821	3,400	2,290
International Student Income	51,166	33,422	42,304
	192,152	187,371	187,497
Expenditure			
Activities	49,888	58,595	51,001
Trading	2,474	3,400	3,240
International Student Costs	1,506	2,978	5,860
	53,868	64,973	60,101
Net Surplus for the year	138,284	122,398	127,396

5 Learning Resources

	<u>2010</u> <u>Actual</u> \$	<u>2010</u> <u>Budget</u> \$	<u>2009</u> <u>Actual</u> \$
Curricular	135,313	175,325	89,970
Employee benefits - salaries	2,340,384	1,794,405	2,289,482
Information and communication technology	25,722	21,800	23,576
Library resources	1,430	4,000	3
Staff development	30,203	19,150	20,293
Other curriculum expenses	5,920	15,205	3,354
	2,538,972	2,029,885	2,426,678

6	<u>Administration</u>	2010	2010	2009
		<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
		\$	\$	\$
	ACC premiums	4,886	1,000	774
	Audit	4,860	4,400	4,400
	Board of Trustees expenses	8,699	8,066	1,971
	Board of Trustees fees	4,360	6,250	4,325
	Communications	14,074	11,600	16,024
	Consumables	10,520	19,884	10,956
	Employee benefits - salaries	175,437	200,033	186,531
	Insurance	2,953	4,800	4,023
	Operating lease	7,003	4,500	12,121
	Postage	5,665	4,693	4,510
	Specialist Advisor & Limited Statutory Manager	19,051	30,000	41,453
	Other expenses	10,808	15,769	13,439
		268,316	310,995	300,527

7	<u>Property</u>	2010	2010	2009
		<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
		\$	\$	\$
	Caretaking and cleaning consumables	12,169	9,300	8,974
	Cyclical maintenance provision	26,869	75,474	28,838
	Employee benefits - salaries and wages	79,209	75,955	80,939
	Heat, light and water	22,629	18,500	20,420
	Repairs and maintenance	26,599	28,250	15,213
	Use of land and buildings	348,750	348,750	348,750
	Other expenses	17,520	13,800	11,301
		533,745	570,029	514,435

8	<u>Depreciation</u>	2010	2010	2009
		<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
		\$	\$	\$
	Depreciation on assets			
	Curriculum equipment	5,637	5,695	8,415
	Furniture	2,366	2,326	3,198
	IT equipment	2,073	4,488	5,901
	Library	1,367	1,392	1,566
	Motor vehicle	711	771	711
	Office equipment	2,135	1,078	3,960
	Plant and machinery	1,284	688	1,104
		15,573	16,438	24,855

9	<u>Cash and Cash Equivalents</u>	2010	2010	2009
		<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
		\$	\$	\$
	Current accounts	73,274	162,044	183,126
	Short term deposits with a maturity less than three months	0	0	0
		73,274	162,044	183,126

10	<u>Accounts Receivable</u>	2010 <u>Actual</u> \$	2010 <u>Budget</u> \$	2009 <u>Actual</u> \$
	Banking Staffing Asset	0	0	36,002
	Salaries accrual	129,561	170,000	140,685
	Sundry debtors	57,687	50,000	108,935
		187,248	220,000	285,622

11	<u>Investments</u>	2010 <u>Actual</u> \$	2010 <u>Budget</u> \$	2009 <u>Actual</u> \$
	Short term deposits with maturities between three months and one year	275,474	60,000	0
		275,474	60,000	0

12 Plant & Equipment

2010

	<u>Cost</u> \$	<u>Accumulated Depreciation</u> \$	<u>Net Book Value</u> \$
Curriculum Equipment	112,669	74,375	38,294
Furniture	49,925	33,512	16,413
Information and Communication Technology	56,882	26,313	30,569
Library Resources	46,274	38,822	7,452
Motor Vehicle	3,555	3,318	237
Office Equipment	33,226	20,378	12,848
Plant and Machinery	35,975	33,053	2,923
	338,506	229,770	108,736

2009

	<u>Cost</u> \$	<u>Accumulated Depreciation</u> \$	<u>Net Book Value</u> \$
Curriculum Equipment	99,333	68,738	30,595
Furniture	49,925	31,146	18,779
IT Equipment	25,837	24,240	1,597
Library	45,163	37,455	7,708
Motor Vehicle	3,555	2,607	948
Office Equipment	31,384	18,242	13,142
Plant and Machinery	34,374	31,769	2,605
	289,571	214,197	75,374

	2010 \$	2009 \$
Net Book Value Reconciliation		
Net book value at start of year	75,374	89,330
Less: Disposals at book value	0.00	0.00
Less: Depreciation charge for the year	(15,573)	(24,855)
Add: Asset acquisition at cost	48,935	10,899
Net book value at year end	108,736	75,374

13 <u>Other Current Liabilities</u>	2010 <u>Actual</u> \$	2010 <u>Budget</u> \$	2009 <u>Actual</u> \$
Audit accrual	4,530	4,400	4,400
GST payable	14,537	12,000	12,011
Salary accruals	129,561	140,685	140,685
Other Current Liabilities	48,041	48,000	48,825
	196,669	205,085	205,921

The carrying value of payables approximates their fair value

14 <u>Income received in advance</u>	2010 <u>Actual</u> \$	2010 <u>Budget</u> \$	2009 <u>Actual</u> \$
International students' fees in advance	25,588	31,000	23,350
Other Income in Advance	1,211	0	8,745
	26,799	31,000	32,095

15 <u>Provision for Cyclical Maintenance</u>	2010 <u>Actual</u> \$	2010 <u>Budget</u> \$	2009 <u>Actual</u> \$
Provision at the start of the year	39,527	39,527	256,327
Increase in the provision during the year	32,342	0	(37,406)
Use of the provision during the year	(12,530)	19,812	(179,394)
Provision at the end of the year	59,339	59,339	39,527
Current Liability	9,225	9,225	11,277
Non Current Liability	50,114	50,114	28,250
	59,339	59,339	39,527

The board has a cash management plan to ensure that sufficient cash is available to meet all maintenance obligations as they fall due over the next 10 years. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligations at the balance sheet date. The provision has not been adjusted for inflation and the effect of the time value of money.

16 <u>Painting Contract Liability</u>	2010 <u>Actual</u> \$	2010 <u>Budget</u> \$	2009 <u>Actual</u> \$
Current Liability	37,737	37,737	37,737
Non Current Liability	138,012	138,012	170,164
	175,749	175,749	207,901

In 2008 the Board signed an agreement with Programmed Maintenance Services (NZ) Ltd (the contractor) for an agreed programme of work covering a twelve year period. The programme provides for some interior and all exterior repaint of all buildings in 2009, with regular maintenance in subsequent years and a further repaint in 2015. The agreement has an annual commitment of \$37,737. The liability is the best estimate of the actual amount of work performed 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 effect of the time value of money.

17 Finance Lease Liability

In 2007 the School entered into a finance lease agreement for classroom furniture. In 2010 the balance remaining on the lease was repaid.

	<u>2010</u> <u>Actual</u> \$	<u>2010</u> <u>Budget</u> \$	<u>2009</u> <u>Actual</u> \$
Not later than one year	0	0	3,016
Later than one year and not later than five years	0	0	5,859
	<u>0</u>	<u>0</u>	<u>8,875</u>
Current Liability	0	0	3,016
Non Current Liability	0	0	5,859
	<u>0</u>	<u>0</u>	<u>8,875</u>

18 Related Party Transactions

The school is an entity controlled by 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 arms length.

The Proprietor of the School, Rudolf Steiner School Trust (Wgtn), 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 are disclosed with an indication of the amount where relevant.

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 2010 is included in the Statement of Comprehensive Income as "Use of land and buildings".

The Proprietor collects voluntary financial contributions from the parent community, a significant amount of which is used to support Board activities as shown in Note 3. This service is provided free of charge.

Where any operational functions are shared between the School and the Proprietor (eg office staff wages) costs are allocated between the two bodies on a useage basis, calculated on normal arms length principles.

At balance date there was \$26,923 owed by the Proprietor to the School included in sundry debtors in the Statement of Financial Position (inclusive of Rudolf Steiner Kindergarten debtors, as the Kindergarten operations are included in the Proprietor's Annual Report).

19 Remuneration

Board of Trustee and Committee members

The total value of the remuneration paid or payable to trustees of the Board and Committee members was as follows:

	<u>2010</u> <u>Actual</u> \$	<u>2009</u> <u>Actual</u> \$
Board of Trustees	4,360	4,325
Committee members	0	0
	<u>4,360</u>	<u>4,325</u>

Principal

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

	<u>2010</u> <u>Actual</u>	<u>2009</u> <u>Actual</u>
Salaries and other short term employee benefits:	\$000	\$000
Salary and other payments	\$120 - \$130	\$120 - 130
Benefits and other emoluments	-	-
Termination benefits	-	-

Other Employees

Other employees received total remuneration over \$100,000 as follows:

	<u>2010</u> <u>Actual</u> \$000	<u>2009</u> <u>Actual</u> \$000
Salary and other payments	\$100 - 110	\$150 - \$160
Number of Employees	1	1

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 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 as follows:

	<u>2010</u> <u>Actual</u> \$	<u>2009</u> <u>Actual</u> \$
Total Value	8,253	-
Number of People	1	-

21 Contingencies

Contingent Asset

There are no Contingent Assets as at 31 December 2010 (contingent assets 31 December 2009 : \$80,963)

Contingent Liability

The Board has a contingent liability for sabbatical leave owing to an employee. This is a historical entitlement which the Board intends to honour in the unlikely event that sabbatical leave is not awarded under the MOE Scheme (if unsuccessful after at least two applications).

22 Commitments

Operating Commitments

As at 31 December 2010 the Board has entered into the following contracts:

- (a) operating lease of photocopiers with a monthly charge of \$645 per month (ex GST) for 60 months that commenced on 11/12/06
- (b) painting the interior and exterior of the school buildings. (See Note 16).

23 Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2010, the school received total Kiwisport funding of \$ 5,422 (excluding GST). The funding was spent on employing a part time sports coordinator.

24 TG Macarthy Trust

A grant of \$4,000 was received in November 2009 from TG Macarthy Trust and was spent in 2010 on library books, library equipment and a laptop for use in the library. We would like to thank the TG Macarthy Trust for their generosity.

INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF
RAPHAEL HOUSE RUDOLF STEINER SCHOOL'S
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

The Auditor-General is the auditor of Raphael House Rudolf Steiner School (the School). The Auditor-General has appointed me, Gregory John Anderson, using the staff and resources of Deloitte, to carry out the audit of the financial statements of the School, on her behalf.

We have audited the financial statements of the School on pages 9 to 22 that comprise the statement of financial position as at 31 December 2010, the statement of comprehensive income and statement of changes in equity for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

Opinion

In our opinion the financial statements of the School on pages 9 to 22:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the School's
 - financial position as at 31 December 2010 and
 - financial performance for the year ended on that date

Our audit was completed on 11 May 2011. This is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities, and we explain our independence.

Basis of Opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, and the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the School's preparation of financial statements that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Trustees;

- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Board of Trustees

The Board of Trustees is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the School's financial position and financial performance.

The Board of Trustees is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

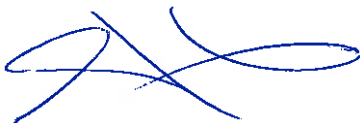
Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Education Act 1989.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

In addition to this audit we are responsible for the audit of the Rudolf Steiner School Trust (the Proprietor of Raphael House Rudolf Steiner School). Other than these two audits, we have no relationship with or interests in the School.



Gregory John Anderson
Deloitte
On behalf of the Auditor-General
Wellington, New Zealand
