



Learn, serve and grow in God



Annual Report 2017

Vision: To be confident followers of Jesus Christ, equipped and inspired to creatively impact our world

Mission: To provide, with parents, a balanced Christian Education to help children develop to their full potential in God

This report gives an indication of the progress the school made against the goals recorded in the Annual Plan 2017.



Annual Plan Goals

Strategic Plan Area: Learning

1. To ensure that we build and provide the best culture and environment for students to own their learning:

- Move toward secondary and intermediates having access to their own personalised device
- Embed student ownership of learning into the teaching and learning fabric of secondary education
- Embed student ownership of learning into the teaching and fabric of primary education

2. Develop secondary education up to Year 13

- Employ directors for Life Lab and Course Lab
- Embed Life Lab in the timetable – having 3 core functions: discipleship/character development, academic mentoring/monitoring, life skills (careers/study techniques etc)
- Develop Course lab – the direction and pedagogy of the subjects in secondary
- Develop differentiation of learning, e.g. use of 90 minute periods
- Investigate project-based learning in preparation for 2018 Sky lab

3. Target learning needs:

- All inquiry targets in curriculum area of Mathematics
- Continue with programmes for Gifted and Talented children

4. Curriculum review and development:

- Mathematics to be the key area targeted in the Y1-8 curriculum. Time given in staff meetings for best practice to be considered and implemented
- Internal professional development on use of current resources and a more streamlined and coordinated approach to delivery

5. Appraisal

- Appraisal system modified in line with new considerations from EDUCANZ

6. Reporting

- Reports remodelled to be used in a KAMAR SMS environment. Portfolios continued for primary.



Strategic Plan Area: Well-being

1. Positive Behaviour for Learning:

- *Positive behaviour system embedded so it is consistent across the school*
- *Matrix of values expectations completed*
- *Some devotional programmes considered for 2018 based on the matrix expectations*

2. Increased student support programmes:

- *Investigate links with a church for the possible employment of a Chaplain at some stage in the future*
- *Continued embedding of Guidance Counsellor into the well-being fabric of the school*

3. Valuing our staff and ensuring they are encouraged and professionally developed:

- *Professional development focus on:*
 - *NZACS Christian schooling conference – attendance for all welcomed*
 - *Secondary subject specific meetings*
 - *PB4L*
 - *Mathematics curriculum*
 - *Tongan learners*
- *Continue inducting/imbedding new teachers into the life of the school*

4. Co-curricular activities:

- *Plan and resource the new gymnasium complex to be ready in 2018*
- *Expand tribe structure to:*
 - *Build community through participation*
 - *Encourage increased opportunities for student leadership*



Strategic Plan Area: Operations

1. Documentation:

- Y1-8 Mathematics scheme documented ready for full use in 2018 as per the work done around the Writing scheme
- Health and Safety procedures completed and in use by the end of 2017
- Committee for IT to investigate strategic direction including BYOD etc for 2018
- New SMS KAMAR to be integrated into the life of the school

2. Property development:

- Resource H block
- Gymnasium management and resourcing considered for 2018
- Resource special care unit
- Upgrade IT network in terms of server use, backups, storage, internet speed and wireless connectivity
- Purchase van(s)

3. Community of Learning

- Investigation into whether the school will be involved in a faith based COL

Strategic Plan Area: Interweaving Strands - Discipleship

1. Christian Living

- Develop a Christian Living programme in Years 11-13 with specific focus on students developing a robust understanding of who they are in God and what they believe and why
- Secondary timetabling and biblical integration to facilitate students considering their faith and how to process it in the real world (Life lab development)
- Continue to evaluate how memory verses are used to best effect in the school



2. Service Opportunities

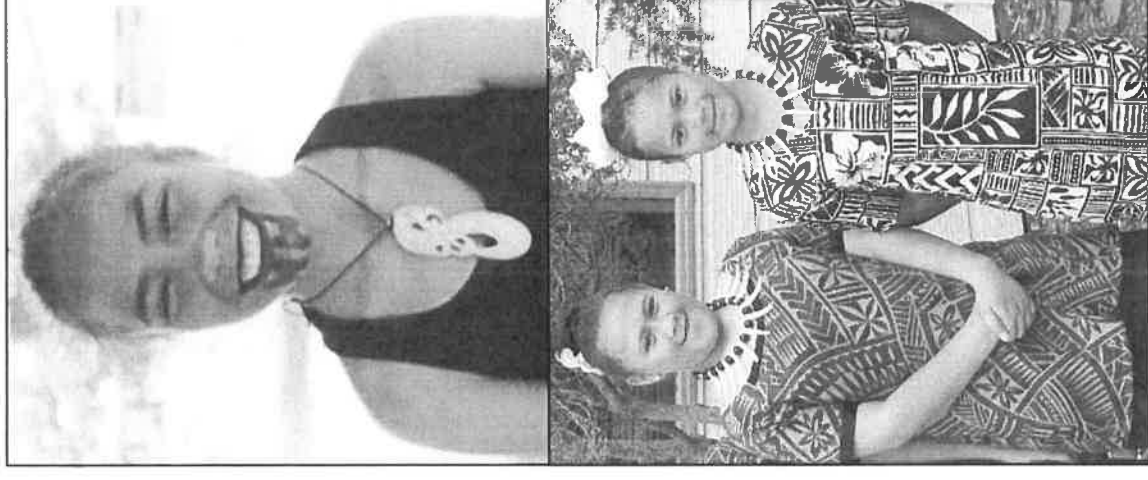
- Visits, e.g. to Preschool, Peppertree retirement village to bless them.
- Plan for Y13 Missions Trip
- Develop service strand in secondary Life lab
- Peer mediators
- Primary team friends duty to help students who need a friend at interval/lunchtime

Strategic Plan Area: Interweaving Strands – Maori akonga

1. Hautu
 - Review Hautu as a review tool for the BOT to consider its approach to "Maori achieving success as Maori"
2. Ka Hikitia
 - Send teacher on TeachNZ year-long course on Te Reo/Tikanga to develop into a lead teacher in the area of Maori culture
3. Maori student targets
 - See end for details

Strategic Plan Area: Interweaving Strands – Pasifika learners

1. Pasifika learner targets
 - See end for details
2. Pasifika initiatives are trialled to improve the learning of Pasifika learners in consultation with the Pasifika community and leaders
 - Facilitate more fully the integration of Tongan parents into the learning of their children along the lines of the Principal's sabbatical learning
 - Consultation with Pasifika parents once per term



Progress towards these goals

Strategic Plan Area: Learning

To ensure that we build and provide the best culture and environment for students to own their learning

Move toward secondary and intermediates having access to their own personalised device, Embed student ownership of learning into the teaching and learning fabric of secondary education, Embed student ownership of learning into the teaching and fabric of primary education

The school moved ahead significantly in the area of IT based learning. Students in Y6 and in Y9-12 all have access to a 1:1 device and use MS OneNote in conjunction with their studies. Teachers can use OneNote Classroom Creator to have a complete on-line interaction with their students and this is done routinely. All secondary students have their own OneNote and OneDrive where statistics and progress. This is updated every 2 weeks and has largely made twice a year reporting unnecessary.

A team including primary and secondary leaders will visit Auckland schools mid Term 3 with the intention of finalising a Y1-6 IT strategy as discussed in the Principal's sabbatical report 2016.

SOLO (structure of learning outcomes) taxonomy they store all notes etc. including that for Life Lab where they are in charge of their own on-line portfolios. Most students in Y11-12 have their own device and students in Y9-10 are encouraged to as well but may have not yet purchased it. Most students in Y7-8 have not considered this.

In the Y6 classroom D6, learning is completely digital using OneNote.

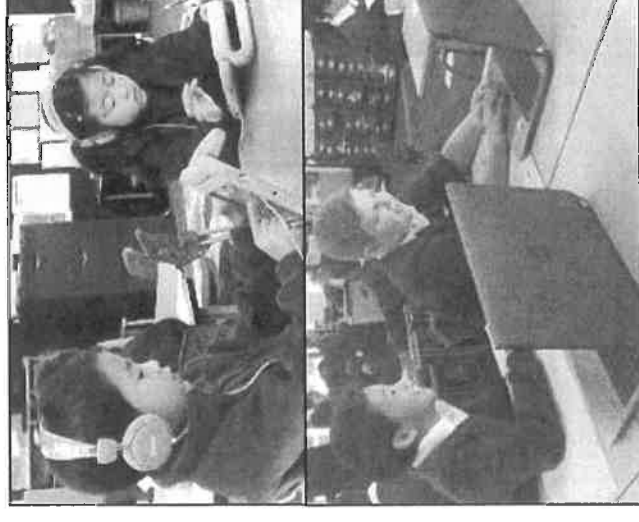
Many IT programmes are used to facilitate learning. Examples include:

- Y1-4 iPad based applications are used to routinely assist in Mathematics, Writing and Reading.
- Y1-10 Mathematics and reading eggs are used to assist the learning in these areas.
- Y5-10 Mindcraft Education and Aetherlite are used to facilitate Mathematics and Biblical literacy.

In secondary, all students and parents had access to the KAMAR parent portal which gives full access into their learning statistics and progress. This was updated every two weeks and made twice-a-year reporting unnecessary.

A team including primary and secondary leaders visited four Auckland schools in term 3 with the intention of finalising a Y1-6 IT strategy (as discussed in the Principal's sabbatical report 2016).

SOLO (structure of learning outcomes) taxonomy was fully embedded into the teaching and assessment structure of secondary and Y7-8 students.



Develop secondary education up to Year 13

Employ directors for Life lab and Course lab The Directors were appointed at the beginning of the year and both did an outstanding job.

Embed Life lab in the timetable – having 3 core functions: discipleship/character development, academic mentoring/monitoring, life skills.

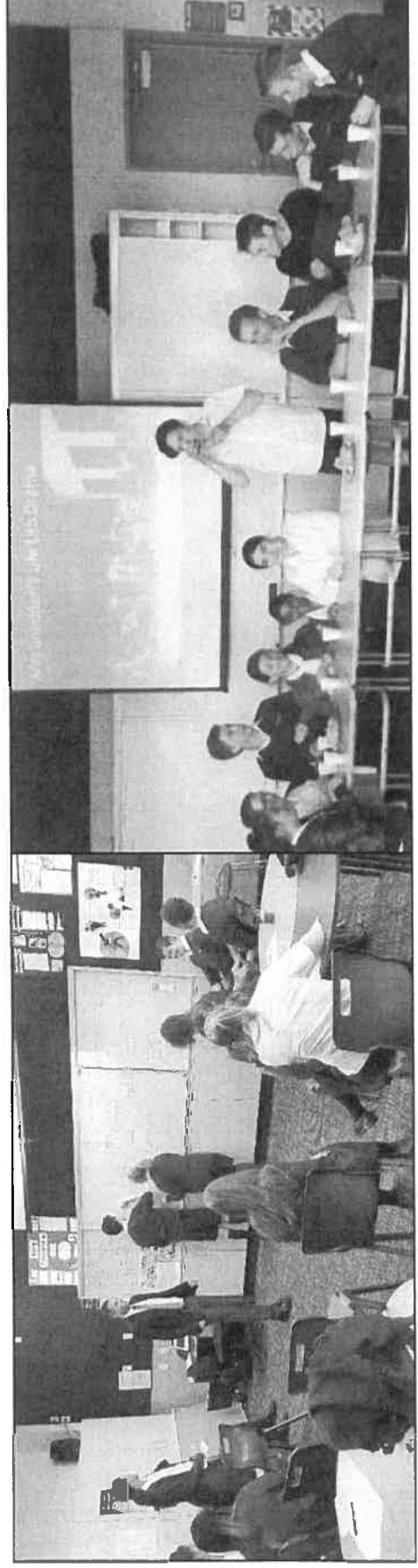
Life Lab has become a fantastic feature of our secondary school, directed by Erika Snedden who is assisted by Carl McIntyre. Erika and Carl presented the Life Lab concept at a workshop at the NZ Association for Christian Schools' conference and this was followed up with a visit from a team from KingsWay School to gather ideas. It was a pleasure to host their team and reflected the fact that Erika (with Carl assisting) and team are doing ground breaking work in Christian education. Life Lab is a key part of secondary school life, is timetabled and staffed as contact time. It fulfils the roles of discipleship, mentorship, academic tracking, life skills and career education.

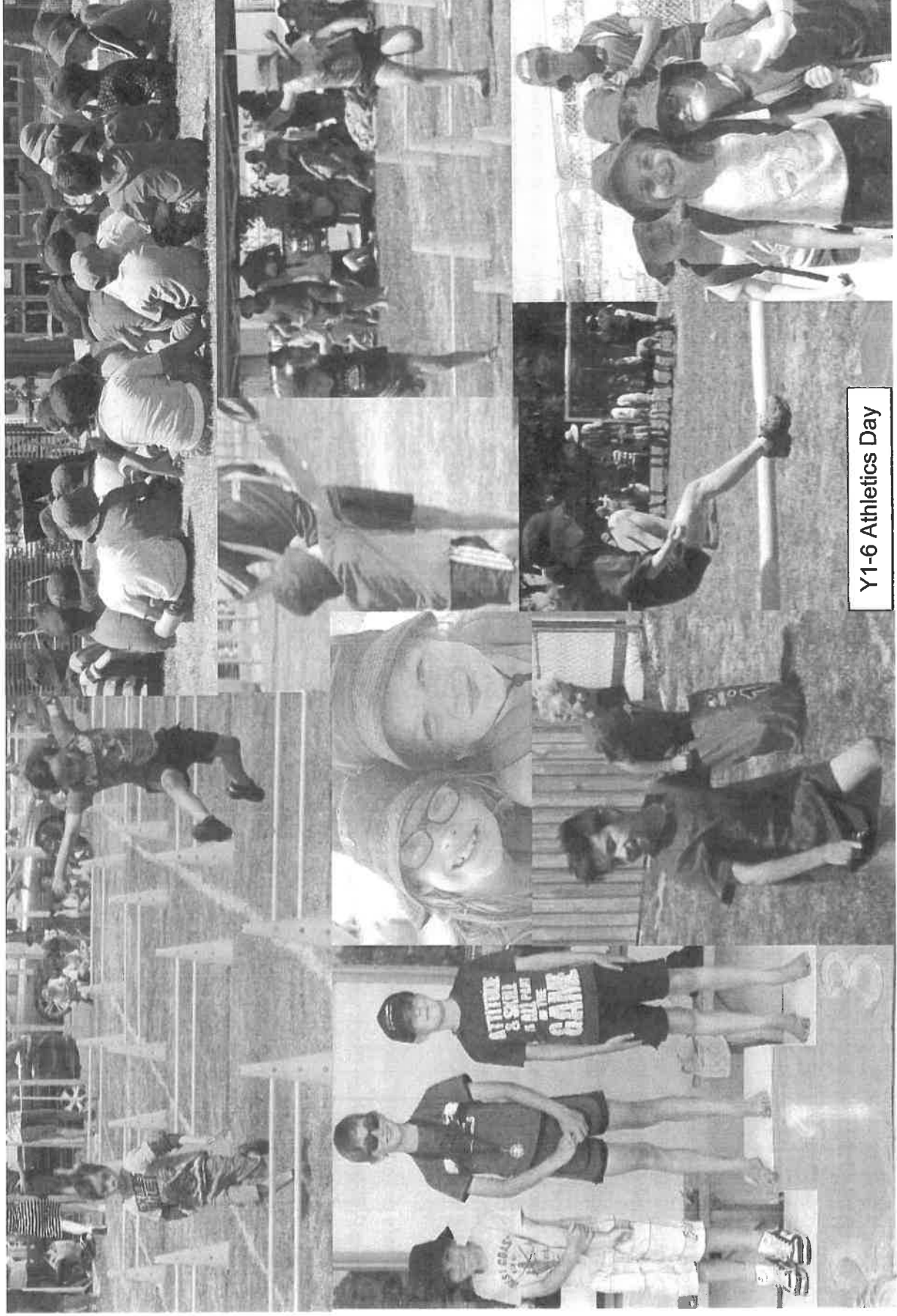
Develop Course lab – the direction and pedagogy of the subjects in secondary. Develop differentiation of learning, eg use of 90 minute periods

Our Director of Course Lab, Natasha Casey, was new to the school. Natasha received induction into the Special Character and led the team very well in modern teaching and learning, adding a huge amount to discussions around the type of education we offer. We have been developing a style of teaching and learning which is very modern, student owned and directed, very individualised and flexible. The purpose is to meet the needs of our 21st Century learners. We loosely term our new teaching 'café-style' and worked on a document which defines the teaching style and philosophy. It involves 45/90 minute timetabled blocks, use of personalised IT devices and designing environments that facilitate no-stress learning.

Investigate project-based learning in preparation for 2018 Sky lab

Assistant Principal Graham Black was required to teach commerce classes after the appointment of a staff member fell through. As a result, this was deferred to 2018.





Target learning needs:

All inquiry targets in curriculum area of Mathematics

We decided to focus on the Mathematics curriculum in a way consistent with the approach used to develop the Writing scheme: two senior staff members being assigned year-long performance goals in finding out: what practice currently occurs in our classrooms, how streamlined it is; what are the key components of the curriculum and the national standards which need to be incorporated into the teaching at each year level; whether it is seamless Y1-10; what resources would be useful and what is the place of Mathematics in our teaching programmes. These components will be synthesised into a Mathematics scheme which gives direction and flexibility for teachers and provides a basis for reporting to parents.

Since we were very comfortable with the background work done in Writing, and in light of the fact that it is the area our students to worst in, we decided to have Mathematics as our curriculum and planning focus but target groups in Writing.

Continue with programmes for Gifted and Talented children

The gifted and talented programme was replaced with more emphasis on differentiation, project work and individualisation in the classrooms. It was felt that this had more overall impact for student learners.

Curriculum review and development:

Mathematics to be the key area targeted in the Y1-8 curriculum. Time given in staff meetings for best practice to be considered and implemented. Internal professional development on use of current resources and a more streamlined and coordinated approach to delivery

Mathematics is our key curriculum area targeted for 2017, however, we decided to focus on it in a way consistent with the approach we used to develop the Writing scheme. Two senior staff members had year long-performance goals in finding out:

- what practice currently occurred in classrooms?
- how seamless it was Y1-Y10?
- what are the key components of the curriculum and the National Standards that need to be incorporated into the teaching at each year level?
- what are the key resources we want to use?
- What is the place of Mathematics in our math teaching programmes?
- What does assessment look like?

These components will be synthesised into a Mathematics scheme which gives direction and flexibility for teachers (as for the writing scheme which now is a key component of our portfolios so it is used for everything from directing teacher practice to reporting to parent)s. The Mathematics scheme was finalised and trialled in term 4 and will guide teaching and learning in 2018.

Appraisal

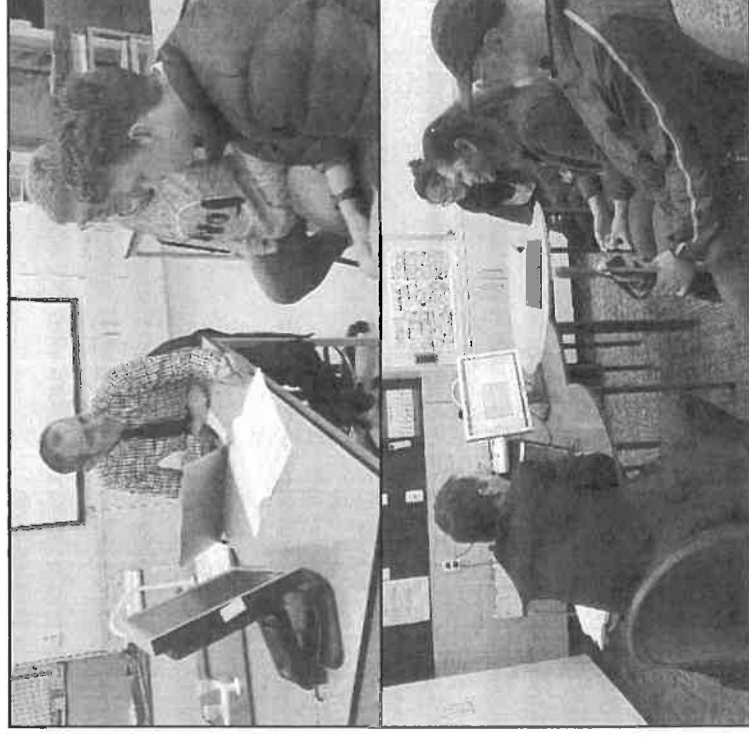
Appraisal system modified in line with new considerations from EDUCANZ

The appraisal system was completely remodelled for the teachers along the lines of ERO's recommendations and information from EDUCANZ. This will need to be further remodelled in 2018 as EDUCANZ announced during the year that the core standards for professional teachers would change.

Reporting

Reports remodelled to be used in a KAMAR SMS environment. Portfolios to continue for primary

The new format for reporting to parents of secondary students was implemented. The Life Lab and KAMAR parent portal allow parents real-time access to find out about their child's learning at any stage. Mid-year reports were no longer necessary as a result. Primary reports remained portfolio based but KAMAR gave better functionality to compare the students' achievement with the expectations at that year level.





Strategic Plan Area: Well-being

Annual plan goals:

Positive Behaviour for Learning:

Positive behaviour system embedded so it is consistent across the school

Matrix of values expectations completed

Some devotional programmes considered for 2018 based on the matrix expectations

The positive behaviour system was embedded across the school using Class Dojo (an online service with parent app). Various other classroom reward systems were used in specific contexts. The PB4L team met together and completed the final version of the PB4L matrix giving values expectations across the school. Some devotional programmes were based around these.

Increased student support programmes:

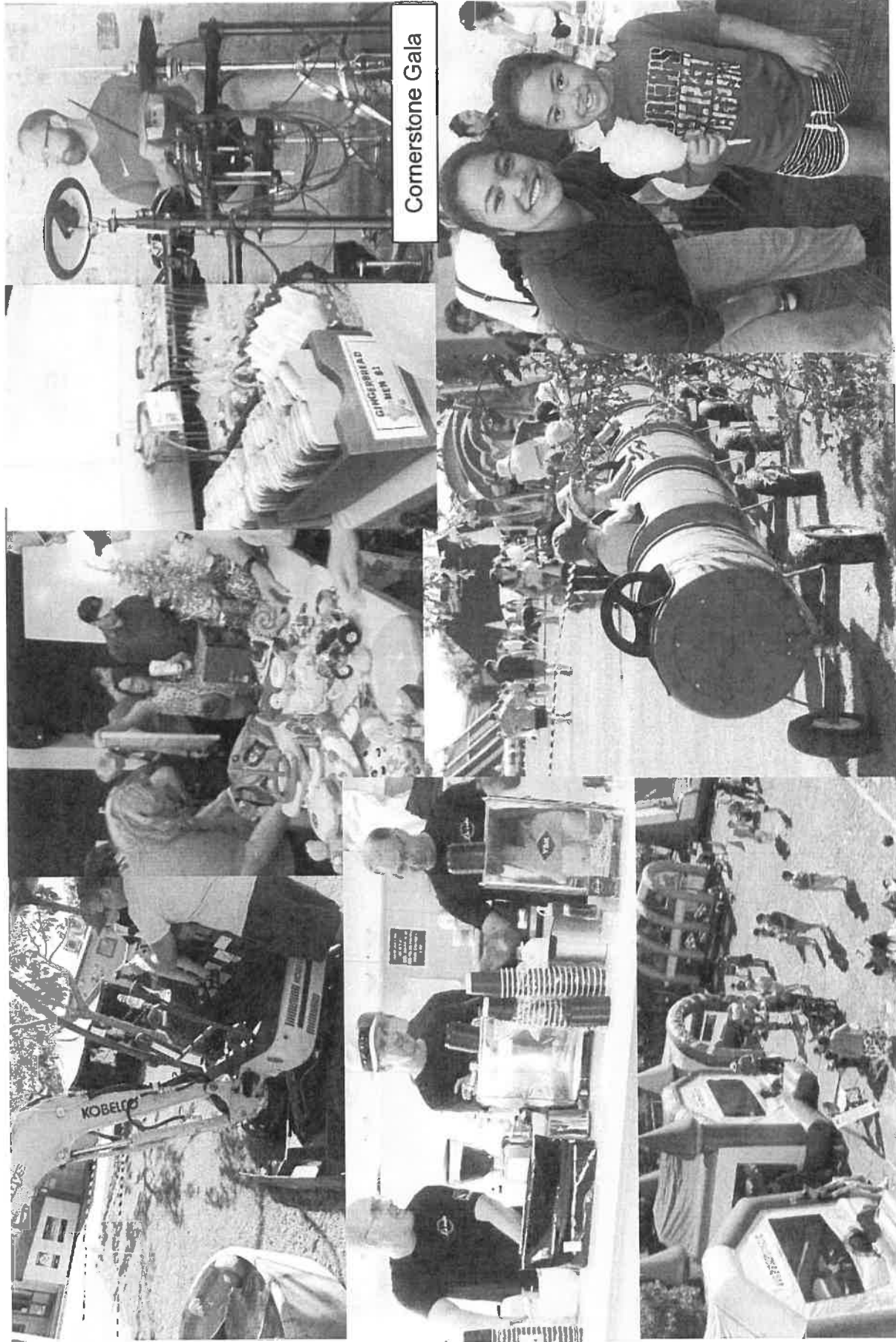
Investigate links with a church for the possible employment of a Chaplain at some stage in the future

We have not looked further into the idea of a school Chaplain. We are using a number of organisations to supplement our Life Labs, e.g. Emmaus Bible College.

Continued embedding of Guidance Counsellor into the well-being fabric of the school

The guidance counsellor has become well embedded into life at Cornerstone. Her availability has had a marked positive impact on certain high needs students. This has taken workload off senior management in areas where disability or family circumstances can have significant bearing on issues which may seem to be disciplinary.





Valuing our staff and ensuring they are encouraged and professionally developed:
Professional Development to focus on:

- NZACS Christian schooling conference – attendance for all welcomed
- Secondary subject specific meetings
- PB4L
- Mathematics curriculum
- Tongan learners
- Continue inducting/imbedding new teachers into the life of the school

28 staff travelled to Orewa to be part of the biennial NZACS Teachers' Conference. The focus for us was on growing together and building connections with other schools. This objective was met with resounding success and all staff talked with really enjoyed and appreciated this part of the conference. Mathematics curriculum PD has occurred periodically from outside practitioners as we endeavoured to find the style of Mathematics teaching which best fits us as a school. Senior primary leaders visited some Hawkes Bay schools in Week 2 to consider best practice in Science and IT. The Principal and EO attended the Association of Integrated Schools conference to keep abreast of administrative developments. Secondary staff routinely are involved in across-school subject meetings. PB4L training was not on-going this year, as we were still part of Tier 1 of PB4L.

Co-curricular activities:

Plan and resource the new gymnasium complex to be ready in 2018

The new Gymnasium has been an on-going focus for 2017-2018 and is expected to be ready in term 3

Expand the tribe structure to:

- Build community through participation
- Encourage increased opportunities for student leadership

The tribe structure was enhanced significantly and gave opportunities for student leadership and competition especially at the end of each term where major events occurred. Many positive parent comments were received.





Y9-10
Activity/

Strategic Plan Area: Operations

Annual plan goals:

Documentation:

Y1-8 Mathematics scheme documented ready for full use in 2018 as per the work done around the Writing scheme

The draft Mathematics scheme was introduced to staff with a view to trialling it in the school in 2018.

Health and Safety procedures completed and in use by the end of 2017

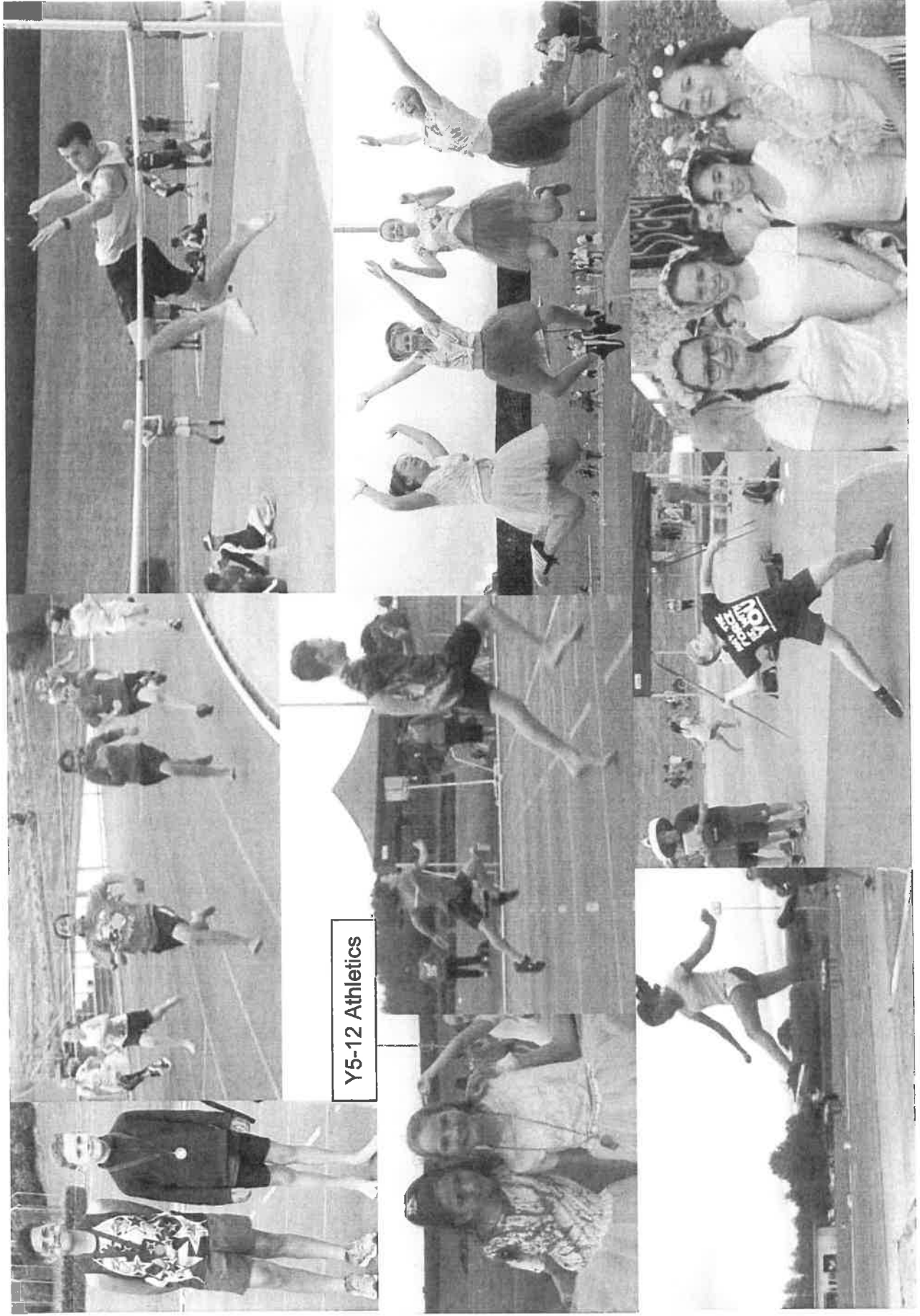
Health and Safety procedures were completed and reviewed by a committee of the BOT.

Committee for IT to investigate strategic direction including BYOD etc for 2018

Senior staff members visited four Auckland schools to consider best practice in IT and how Cornerstone should move forward.

New SMS KAMAR to be integrated into the life of the school

KAMAR has been successfully integrated into life at CCS and has been driving specific areas such as our reporting structure to parents and organisation of student/parent information and communication.



Property development:

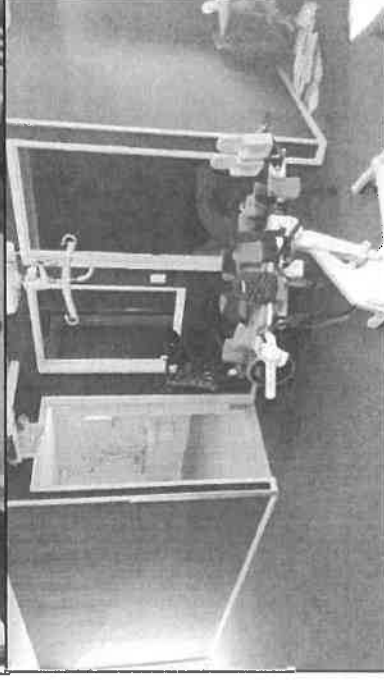
Resource H block, Gymnasium, Special needs block, IT network and transport options

Many new initiatives occurred in the property space including the above and also playground improvements and the purchase of 2 school minivans.

Community of Learning:

Investigation into whether the school will be involved in a faith based COL

The formation of a Lower North Island Christian Community of Learning was approved by the Minister early in the year. Significant background work was done to facilitate the schools working together. Peter Ferrar (Cornerstone Christian School) was appointed to the role of Community of Learning Lead Principal from 1 May 2017. Visits to and presentations to the BOTs of all of the COL schools and staff occurred. Achievement challenges were considered, refined and submitted to the Ministry of Education by the end of the year. At the end of the year, the COL application for Literacy and Mathematics PLD funding was approved to be utilised in 2018.



Strategic Plan Area: Interweaving Strands - Discipleship

Christian Living

Develop a Christian Living programme in Years 11-13 with specific focus on students developing a robust understanding of who they are in God and what they believe and why

Life Lab was fully implemented into the life of the secondary school and seems to be very effective. Each group of 16 students has their own Life Lab teacher whose job is to focus on: devotions and the development of Godly character; discussing what it means to be a real Christian in the real world; academic mentoring; career focus; closer relationship with home. Emmaus was contracted to work with senior Life Labs.

Secondary timetabling and biblical integration to facilitate students considering their faith and how to process it in the real world (Life lab development)

Life Lab is a key part of secondary school life, is timetabled and staffed as contact time. It fulfils the roles of discipleship, mentorship, academic tracking, life skills and career education.

Continue to evaluate how memory verses are used to best effect in the school

These are still taught however their effectiveness has not been reviewed.

Service opportunities

Visits, e.g. to Preschool, Peppertree retirement village, to bless them

Many visits to our preschool occurred however we did not branch out much further than this. The missions trip to Vanuatu in 2018 is in place and plans are on-going for this. Various other service activities happened including World Vision child sponsorship and 40h famine, peer mediators, friends duty at lunch time for students by students etc.



World Vision 40 hour famine fundraising



Tribes' modern-day parable competition



Strategic Plan Area: Interweaving Strands – Maori akonga

Hautu

Review Hautu as a review tool for the BOT to consider its approach to "Maori achieving success as Maori"

No progress had occurred.

Ka Hikitia

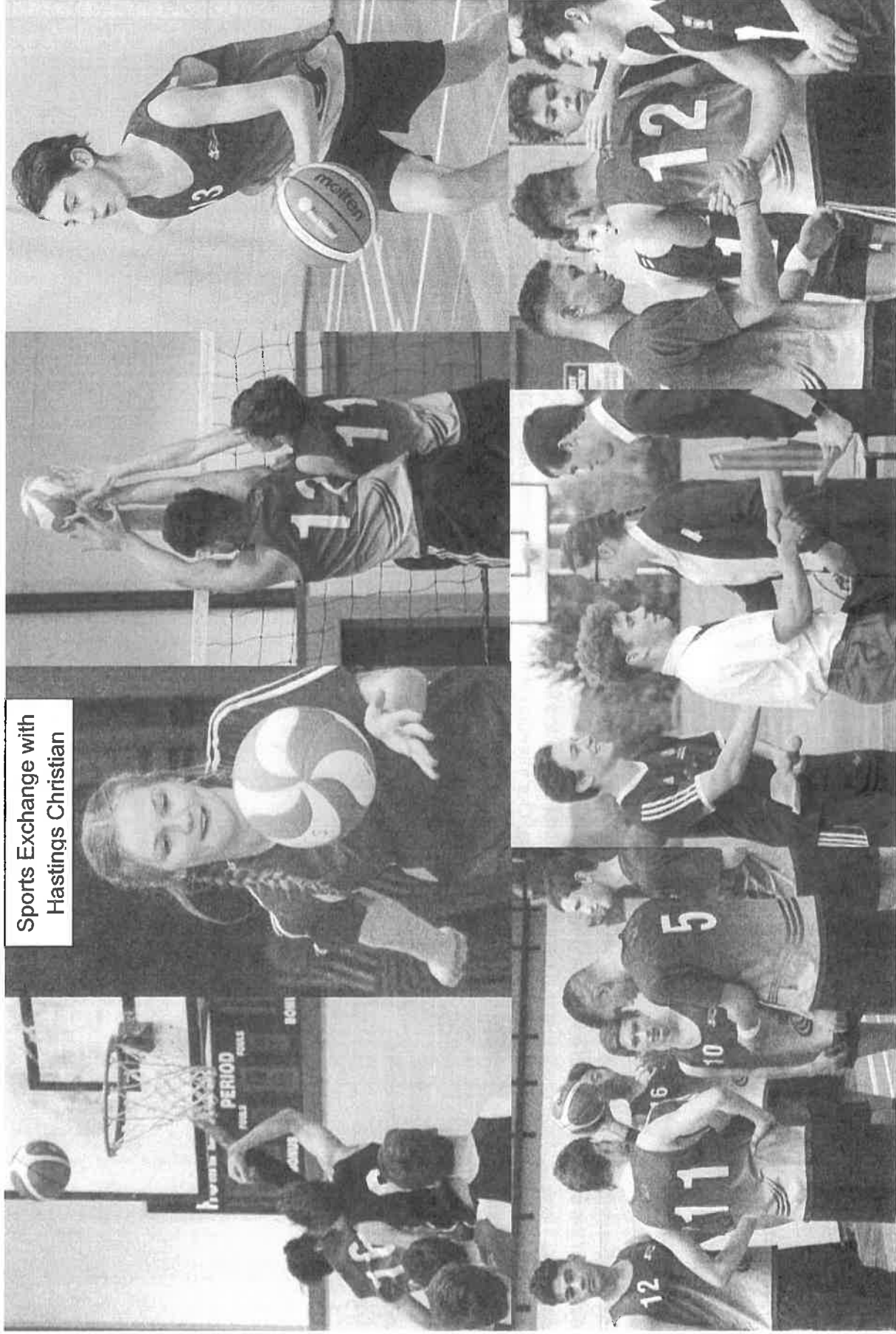
Send teacher to TeachNZ year-long course on Te Reo/Tikanga to develop into a lead teacher in the area of Maori culture

Melissa Seumanu completed a Teach NZ study course with the Wananga o Aotearoa. Plans were put in place to have her teaching as a job share teacher in the classroom in 2018 whilst on her other days, doing the CRT release for teachers. Her CRT release programme will be a full Te Reo Maori and Tikanga Maori programme. This will be the first time in the life of Cornerstone Christian School that we have had a Maori teacher, with skills in Te Ao Maori, teaching this to primary students. Our intention is for this to grow over time to include teaching to Y7-13 classes. Melissa was also in charge of our Kapa haka programme.

Maori student targets

Please refer to the target student section at the end of this document.





Strategic Plan Area: Interweaving Strands – Pasifika learners

Pasifika learner targets

Please refer to the target student section at the end of this document.

Pasifika initiatives are trialled to improve the learning of Pasifika learners in consultation with the Pasifika community and leaders

Facilitate more fully the integration of Tongan parents into the learning of their children along the lines of the Principal's sabbatical learning

The Tongan reading initiative continued in 2017 and, rather than using student mentors, two Tongan parents assisted. The programme had a significant emphasis on digital learning, using iPads purchased for it which were loaded with reading apps, e.g. "Reading Eggs". This change was in line with the learning gleaned from the Principal's sabbatical in 2016. The programme ran all year and there were clear advances in children's learning.

Consultation with Pasifika parents once per term

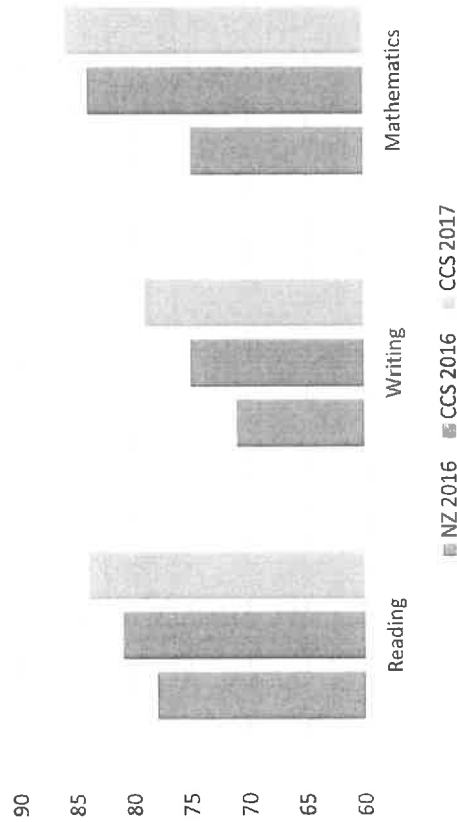
Principal's consultation groups did not occur in 2017 due to the significant teaching, preparation and NCEA load of the Principal. These are expected to continue in 2018.





National Standards data of achievement for the whole school measured in November 2017

Cornerstone vs National - % achieving NS



Summary: CCS students achieved well above National norms and have improved on average over the 2016 results, despite increasing cohort size.

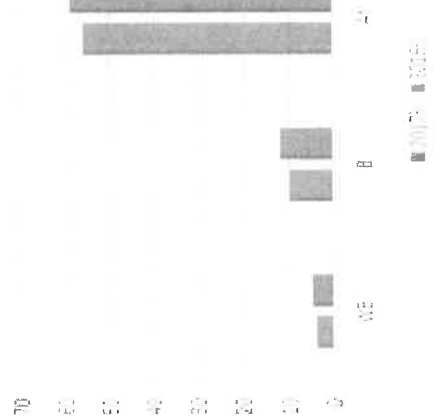
CCS Reading %



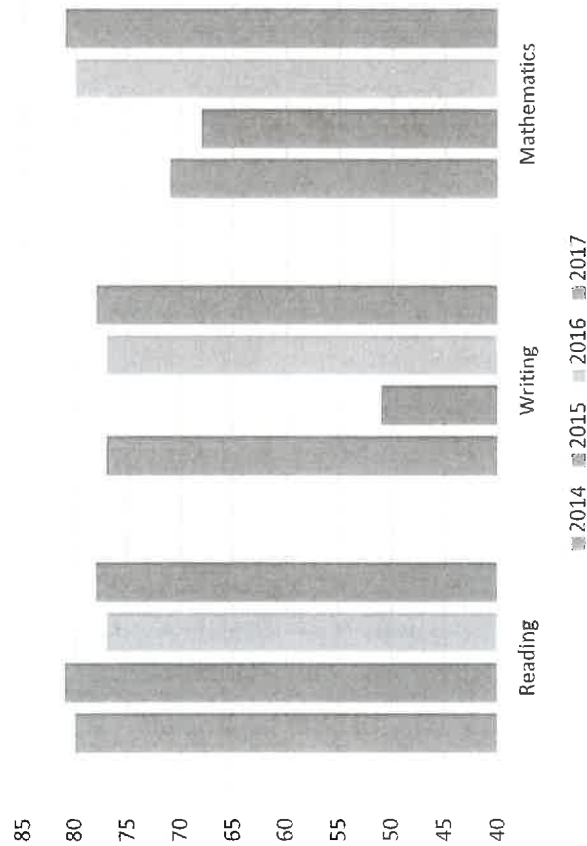
CCS Writing %



CCS Mathematics %

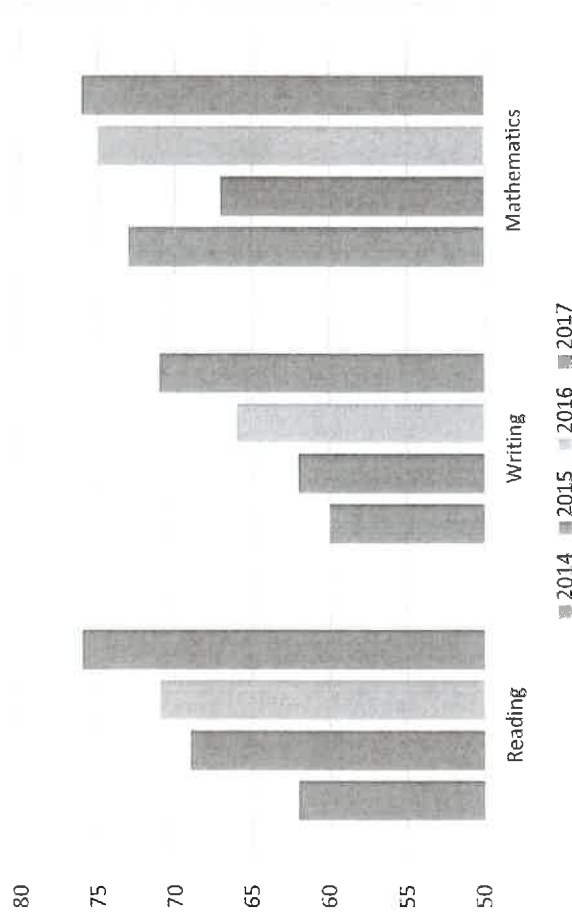


Maori student achievement - % achieving NS



Maori student achievement improvement has been generally pleasing over the last few years, especially the improvements seen in our 2 professional development focus areas of Writing and Mathematics.

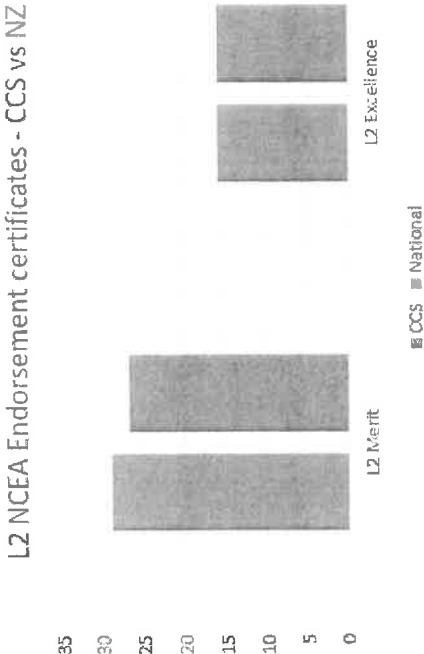
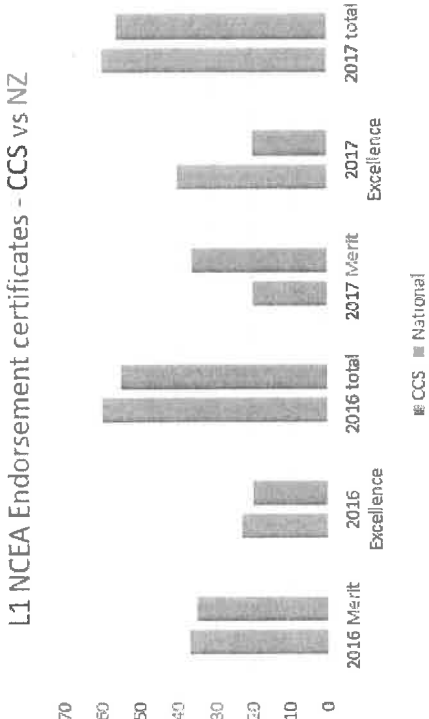
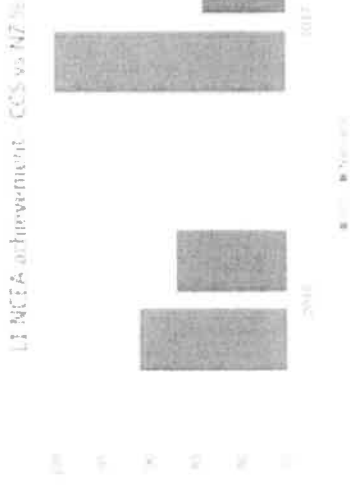
Pasifika student achievement - % achieving NS



Pasifika student achievement has steadily improved over the past few years and this may be a result of the many initiatives we have put in place to facilitate their learning and awahi their culture.

NCEA data

The school had another highly successful year in NCEA, achieving results higher than last year and having all students succeed. We had a policy of 'no student left behind' and we managed to achieve this through the sterling efforts of Graham Black and his team



Our targets for 2017 and how we fared

Summary of Writing targets Y1-8

All classes had a group of 4-6 learners whose achievement in Writing was targeted to take them from a position of concerning underachievement to being at their expected level in learning achievement. These students were picked on the basis of evidence from their current teacher and their previous teacher.

A total of 60 students were targeted, this number dropped to 56 over the course of the year as some students left the school. Of these:

- 26 students to improve from Below to At in Writing
- 9 students at Well below to improve to Below in Writing.
- 7 students were targeted for their progress in Writing.

This would give the following improvements in overall primary Writing data:

Writing National Standard level	2015 cohort achievement	2016 cohort achievement	2017 targeted cohort achievement
At or above Standard	74%	75%	83%
Well Below standard	5%	5%	2%

Summary of results against targets Y1-8

- overall 67% of the targets for students' learning were achieved.
- 48% of students targeted to accelerate their learning progress were At or Above the NS for 2017.
- Of the 9 students at Well below targeted to improve to Below in Writing; 7 students achieved this target
- 7 students were targeted for their writing to be at their age level, 6 students achieved this.

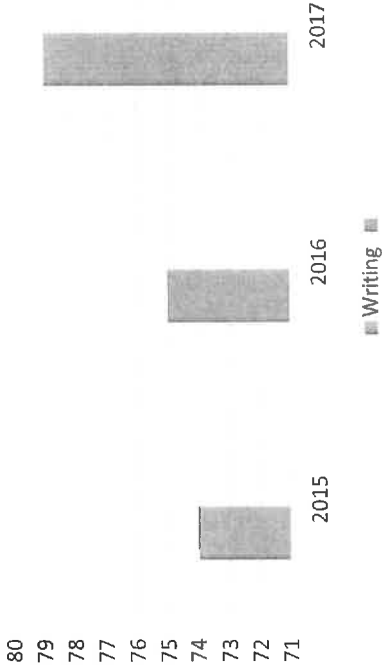
This gave the following improvements in Writing data:

Writing National Standard level	2015 cohort achievement	2016 cohort achievement	2017 targeted cohort achievement	2017 cohort achievement
At or above Standard	74%	75%	83%	79%
Well Below standard	5%	5%	2%	4%

Conclusion

Although we did not completely meet our overall target, we still managed to lift improvement for students compared to the previous 2 years and also to decrease the number of students in the WB category. It should be noted that this is whole school data and therefore includes all of the learning disabled, mentally disabled and ESOL students. So the PD focus area of Writing has increased achievement over the last few years.

PD focus area - % achieving NS



Secondary Targets – NCEA

84% pass rate of NCEA Level 1 with 28% Endorsement certificates results: 100% pass 60% endorsements

87% pass rate of NCEA Level 2 with 32% endorsement certificates results: 100% pass 45% endorsements

All targets more than met in this area.

In 2017 the achievement of selected Y9-10 students was targeted more holistically and therefore more difficult to measure. In 2018 we are moving to a system of tracking achievement against curriculum levels in the absence of NS which will be easier to record quantitatively.

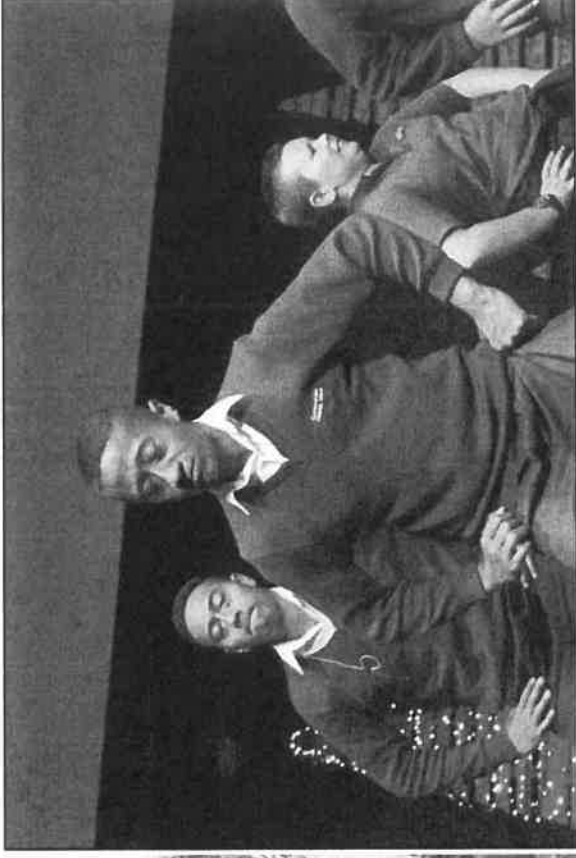
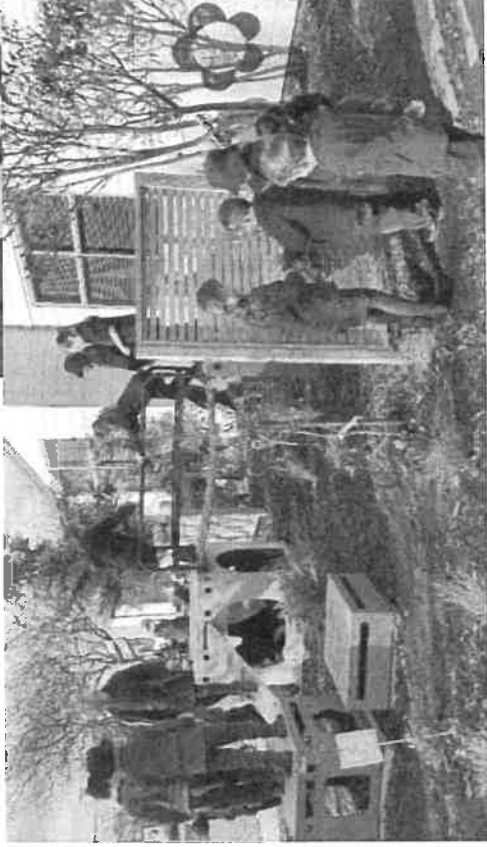
Signed:

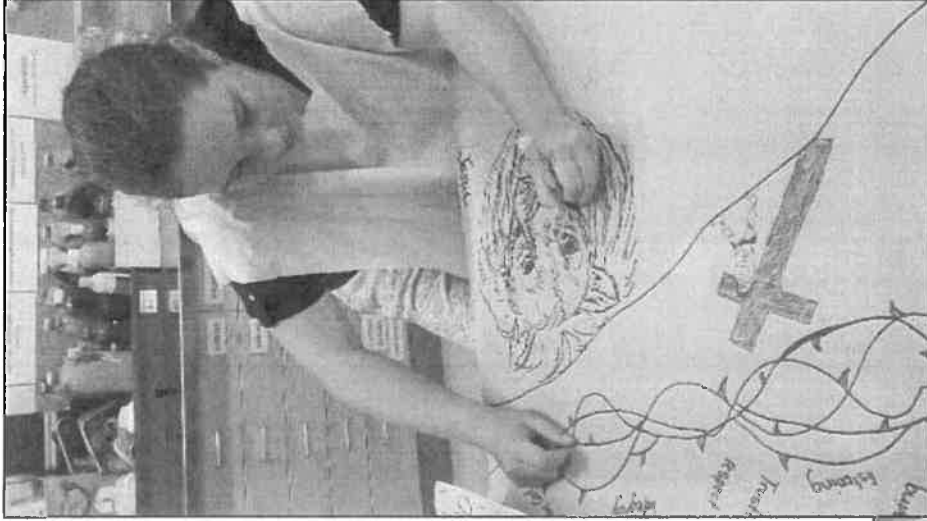
Principal

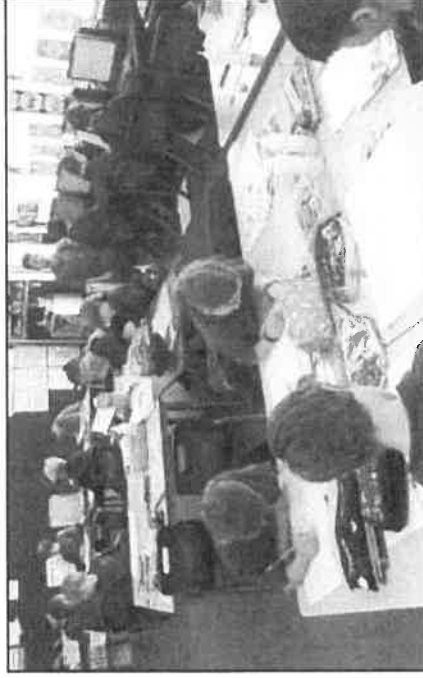
Date

Board Chairperson

Date







CORNERSTONE CHRISTIAN SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address:	119 Mihaere Drive, Kelvin Grove, Palmerston North
School Postal Address:	119 Mihaere Drive, Kelvin Grove, Palmerston North
School Phone:	(06) 356 7326
School Email:	office@cornerstone.ac.nz
Ministry Number:	1172

CORNERSTONE CHRISTIAN SCHOOL

Financial Statements - For the year ended 31 December 2017

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Cornerstone Christian School

Statement of Responsibility

For the year ended 31 December 2017

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

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

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

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

Richard Woodmass
Richard Woodmass

[Signature]
Signature of Board Chairperson

30-5-18
Date:

Peter Ferrar

[Signature]
Signature of Principal

30/5/18
Date:

Cornerstone Christian School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue				
Government Grants	2	3,729,890	3,027,136	2,745,037
Locally Raised Funds	3	113,964	51,111	90,721
Use of Land and Buildings Integrated		828,135	828,135	646,142
Interest Earned		7,335	7,776	7,669
		<hr/> 4,679,324	<hr/> 3,914,158	<hr/> 3,489,568
Expenses				
Locally Raised Funds	3	86,500	43,817	76,370
Learning Resources	4	3,042,043	2,540,200	2,292,258
Administration	5	182,464	178,999	189,361
Finance		5,168	-	3,297
Property	6	1,001,173	1,011,173	811,036
Depreciation	7	176,700	115,833	120,402
Loss on Uncollectable Accounts Receivable		-	-	5,397
Amortisation of Equitable Leasehold Interest	12	1,610	1,618	1,610
		<hr/> 4,495,658	<hr/> 3,891,640	<hr/> 3,499,731
Net Surplus / (Deficit) for the year		183,666	22,518	(10,163)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> 183,666	<hr/> 22,518	<hr/> (10,163)

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



Cornerstone Christian School **Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2017

	Notes	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
Balance at 1 January		563,983	563,982	574,146
Total comprehensive revenue and expense for the year		183,666	22,518	(10,163)
Equity at 31 December		747,649	586,500	563,983
Retained Earnings		742,949	586,500	563,282
Reserves	17	4,700	-	700
Equity at 31 December		747,649	586,500	563,982

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



Cornerstone Christian School
Statement of Financial Position
As at 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	288,267	426,557	228,641
Accounts Receivable	9	183,197	120,336	138,812
GST Receivable		12,607	-	9,651
Prepayments		43,963	-	596
Inventories	10	43,821	36,000	35,662
		571,855	582,893	413,362
Current Liabilities				
GST Payable		-	25,000	-
Accounts Payable	13	239,140	221,700	262,361
Revenue Received in Advance	14	1,445	-	-
Provision for Cyclical Maintenance	15	14,795	28,000	21,720
Finance Lease Liability - Current Portion	16	18,484	8,274	8,438
		273,864	282,974	292,519
Working Capital Surplus/(Deficit)		297,991	299,919	120,844
Non-current Assets				
Property, Plant and Equipment	11	559,599	375,133	375,660
Equitable Leasehold Interest	12	40,456	40,448	42,066
H Block Capital Work in Progress				132,931
		600,055	415,581	550,657
Non-current Liabilities				
Provision for Cyclical Maintenance	15	102,169	94,000	88,240
Finance Lease Liability	16	48,228	35,000	19,279
		150,397	129,000	107,519
Net Assets		747,649	586,500	563,983
Equity		747,649	586,500	563,983

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



Cornerstone Christian School
Statement of Cash Flows
For the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		1,176,577	1,125,009	792,771
Locally Raised Funds		105,456	51,111	95,310
Goods and Services Tax (net)		(2,956)	25,000	(17,671)
Payments to Employees		(352,723)	(391,807)	(301,558)
Payments to Suppliers		(465,136)	(550,588)	(494,997)
Cyclical Maintenance Payments in the year		(12,895)	(18,887)	(21,259)
Interest Paid		(5,168)	-	(3,297)
Interest Received		7,335	7,776	7,669
Net cash from / (to) the Operating Activities		450,490	247,614	56,968
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		0	12,000	
Purchase of PPE (and Intangibles)		(379,581)	(77,472)	(78,961)
Purchase of Investments		-	-	
Proceeds from Sale of Investments		-	-	
Net cash from / (to) the Investing Activities		(379,580)	(65,472)	(78,961)
Cash flows from Financing Activities				
Finance Lease Payments		(11,285)	15,774	(6,740)
Painting contract payments		-	-	
Loans Received/ Repayment of Loans		-	-	
Funds Administered on Behalf of Third Parties		-	-	
Funds Held for Capital Works Projects		-	-	
Net cash from Financing Activities		(11,285)	15,774	(6,740)
Net increase/(decrease) in cash and cash equivalents		59,626	197,916	(28,733)
Cash and cash equivalents at the beginning of the year	8	228,641	228,641	257,374
Cash and cash equivalents at the end of the year	8	288,267	426,557	228,641

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.



Cornerstone Christian School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

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

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.

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 11.



Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 16.

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

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 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) Property, Plant and Equipment

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

Improvements to buildings owned by the Proprietor are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$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.

Depreciation

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value

k) 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. Its 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.

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.

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, annual leave earned to but not yet taken at balance date.

o) Revenue Received in Advance

Revenue received in advance relates to 2018 camp 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 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).

q) Financial Assets and Liabilities

The School's financial assets comprise cash and cash equivalents, accounts 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, borrowings, and finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

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 statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

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.



2. Government Grants

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operational grants	779,562	731,203	667,917
STAR Funding	29,882	28,164	26,446
Teachers' salaries grants	2,563,584	2,015,490	1,940,915
Resource teachers learning and behaviour grants	95,726	101,560	80,341
Other MoE Grants	108,986	-	20,119
Furniture & Equipment Grant	152,150	150,719	9,299
	<u>3,729,890</u>	<u>3,027,136</u>	<u>2,745,037</u>

3. Locally Raised Funds

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

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	5,000	-	331
Fundraising	-	-	991
Other revenue	13,620	1,300	-
Trading	49,940	37,661	43,196
Activities	45,404	12,150	43,106
Curriculum Recoveries	-	-	3,098
	<u>113,964</u>	<u>51,111</u>	<u>90,721</u>
Expenses			
Activities	44,063	12,150	39,662
Trading	42,437	31,667	36,708
	<u>86,500</u>	<u>43,817</u>	<u>76,370</u>
Surplus for the year Locally raised funds	<u>27,464</u>	<u>7,294</u>	<u>14,351</u>

4. Learning Resources

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	138,393	148,689	125,818
Information and communication technology	58,552	87,244	52,667
Employee benefits - salaries	2,809,934	2,263,636	2,097,013
Staff development	35,164	40,631	16,760
	<u>3,042,043</u>	<u>2,540,200</u>	<u>2,292,258</u>

5. Administration

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Audit Fee	5,061	5,061	4,884
Board of Trustees Fees	4,465	6,875	4,230
Board of Trustees Expenses	7,415	6,219	7,212

Communication	3,991	3,400	4,378
Consumables	13,545	13,880	9,980
Operating Lease	2,996	-	12,305
Other	18,863	14,250	14,557
Employee Benefits - Salaries	120,332	124,314	127,470
Insurance	5,796	5,000	4,345
	<u>182,464</u>	<u>178,999</u>	<u>189,361</u>

6. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	3,659	4,000	2,717
Consultancy and Contract Services	51,274	50,691	53,895
Cyclical Maintenance Expense	19,899	15,900	19,287
Grounds	16,985	18,600	15,478
Heat, Light and Water	27,633	33,500	22,023
Rates	5,226	6,000	4,434
Repairs and Maintenance	28,037	34,000	28,117
Use of Land and Buildings	828,135	828,135	646,142
Security	2,477	3,000	1,931
Employee Benefits - Salaries	17,848	17,347	17,011
	<u>1,001,173</u>	<u>1,011,173</u>	<u>811,036</u>

7. Depreciation

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Furniture and Equipment	66,587	50,092	50,365
Information and Communication Technology	79,546	55,752	50,386
Motor Vehicles	12,343	-	-
Textbooks	7,035	4,263	5,240
Leased Assets	5,974	-	8,395
Library Resources	5,215	5,726	6,016
	<u>176,700</u>	<u>115,833</u>	<u>120,402</u>

8. Cash and Cash Equivalents

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	4	50	19
Bank Current Account	2,421	16,507	5,072
Bank Call Account	1,087	5,000	2,001
Short-term Bank Deposits	284,755	405,000	221,549
Bank Overdraft	-	-	-
Cash equivalents and bank overdraft for Cash Flow Statement	<u>288,267</u>	<u>426,557</u>	<u>228,641</u>

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



9. Accounts Receivable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Receivables	10,121	500	168
Receivables from the Ministry of Education	1,080	-	11,351
Teacher Salaries Grant Receivable	171,996	119,836	127,293
	<u>183,197</u>	<u>120,336</u>	<u>138,812</u>
Receivables from Exchange Transactions	10,121	500	168
Receivables from Non-Exchange Transactions	173,076	119,836	138,644
	<u>183,197</u>	<u>120,336</u>	<u>138,812</u>

10. Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
School Uniforms	43,821	36,000	35,662
	<u>43,821</u>	<u>36,000</u>	<u>35,662</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2017						
Furniture and Equipment	240,656	121,889			(66,587)	295,958
Information and Communication	79,041	105,264			(79,546)	104,760
Motor Vehicles	-	56,827			(12,343)	44,484
Textbooks	9,795	25,620			(7,035)	28,380
Leased Assets	25,214	51,039			(5,974)	70,279
Library Resources	20,954	-			(5,215)	15,739
Balance at 31 December 2017	<u>375,660</u>	<u>360,639</u>	<u>-</u>	<u>-</u>	<u>(176,700)</u>	<u>559,599</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2017			
Furniture and Equipment	638,529	(342,567)	295,962
Information and Communication	350,227	(245,472)	104,755
Motor Vehicles	56,827	(12,343)	44,484
Textbooks	92,669	(64,289)	28,380
Leased Assets	104,214	(33,935)	70,279
Library Resources	53,501	(37,762)	15,739
Balance at 31 December 2017	<u>1,295,967</u>	<u>(736,368)</u>	<u>559,599</u>



2016	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Furniture and Equipment	244,292	46,730	-	-	(50,365)	240,657
Information and Communication Technology	118,373	11,055	-	-	(50,386)	79,042
Motor Vehicles	-	-	-	-	-	-
Textbooks	10,151	4,884	-	-	(5,240)	9,795
Leased Assets	23,249	10,358	-	-	(8,395)	25,212
Library Resources	23,057	3,913	-	-	(6,016)	20,954
Balance at 31 December 2016	419,122	76,940	-	-	(120,402)	375,660

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2016			
Furniture and Equipment	526,411	(285,755)	240,656
Information and Communication Technology	272,652	(193,611)	79,041
Textbooks	67,049	(57,254)	9,795
Leased Assets	37,185	(11,971)	25,214
Library Resources	62,720	(41,766)	20,954
Balance at 31 December 2016	966,017	(590,357)	375,660

12. Equitable Leasehold Interest

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge of the asset. This equitable leasehold interest represents the Boards Interest in capital works assets owned by the Proprietor but paid for in whole or part by the Board of Trustees, either from Government funding or community raised funds.

A lease between the Board and the Proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. The equitable leasehold interest is amortised over the remaining economic life of the capital works assets involved. The interest may be realised on the sale of the capital works by the Proprietor or the closure of the school.

The major capital works assets included in the equitable leasehold interests are:

2017	2017 Actual \$	2016 Budget (Unaudited) \$	2016 Actual \$
Senior Playground			
Cost	56,618	56,618	56,618
Less			
Accumulated Amortisation	16,162	16,170	14,552
Balance at 31 December 2017	40,456	40,448	42,066
 Annual Amortisation for the year	 1,610	 1,618	 1,618

13. Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	61,974	55,000	37,424



Accruals	5,820	5,700	5,617
Capital accruals for PPE items	-	-	80,479
Employee Entitlements - salaries	168,098	158,000	136,367
Employee Entitlements - leave accrual	3,248	3,000	2,474
	<u>239,140</u>	<u>221,700</u>	<u>262,361</u>

Payables for Exchange Transactions	239,140	221,700	262,361
	<u>239,140</u>	<u>221,700</u>	<u>262,361</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Grants in Advance - Ministry of Education	-	-	-
Other	1,445	-	-
	<u>1,445</u>	<u>-</u>	<u>-</u>

15. Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	109,960	109,960	111,932
Increase to the Provision During the Year	22,816	15,900	28,656
Adjustment to the Provision	(2,917)	26,420	(9,369)
Use of the Provision During the Year	(12,895)	(30,280)	(21,259)
Provision at the End of the Year	<u>116,964</u>	<u>122,000</u>	<u>109,960</u>
Cyclical Maintenance - Current	14,795	28,000	21,720
Cyclical Maintenance - Term	102,169	94,000	88,240
	<u>116,964</u>	<u>122,000</u>	<u>109,960</u>

16. Finance Lease Liability

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	24,563	9,274	8,438
Later than One Year and no Later than Five Years	56,750	13,000	19,279
Later than Five Years	-	-	-
Less Interest	(14,602)	(4,000)	-
	<u>66,712</u>	<u>18,274</u>	<u>27,717</u>



17. Library Grant Reserve

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Iplex	700	-	700
T McCarthy Trust Reserve	4,000	-	-
	<u>4,700</u>	<u>-</u>	<u>700</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 (Cornerstone Christian Education 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 the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

Richard Tankersley is a Proprietor of the school and also owns ICONA Limited. During the year the School used ICONA Limited to maintain and service the School's IT Systems software/hardware and VOIP phone lines. They also provided the speaker system in H Block which was a one off project. The total value of all transactions for the year was \$25,849.00 (2016: \$6,846.02) with \$243 outstanding as at balance date (2015: \$1,191.55). Because this amount is less than \$25,000 for the year the contract does not require Ministry approval under section 103 of the Education Act 1989.

19. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy Principals and Heads of Departments.

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	4,465	4,230
Full-time equivalent members	0.15	0.15
<i>Leadership Team</i>		
Remuneration	781,658	552,467
Full-time equivalent members	8	6
Total key management personnel remuneration	<u>786,123</u>	<u>556,697</u>
Total full-time equivalent personnel	<u>8.15</u>	<u>6.15</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:

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 170	130 - 140
Benefits and Other Emoluments	0 - 5	0 - 5
<i>Other Employees</i>		
There was 1 Other Employee with remuneration greater than \$100,000:		
Salary and Other Payments	100 - 105	0

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

20. Commitments

(a) Capital Commitments

As at 31 December 2017 the Board has not entered into contract agreements for capital works.

(Capital commitments at 31 December 2016: \$43,727)

(b) Operating Commitments

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

- (a) photocopier and papercut lease service charge
- (b) operating lease of laptops for teachers;

	2017 Actual \$	2016 Actual \$
No later than One Year	12,465	7,773
Later than One Year and No Later than Five Years	43,871	14,703
Later than Five Years	-	-
	<u>56,336</u>	<u>22,476</u>

21. 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.



22. Financial Instruments

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

Loans and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	288,267	426,557	228,641
Receivables	183,197	120,336	138,812
Total Loans and Receivables	<u>471,464</u>	<u>546,893</u>	<u>367,453</u>

Financial liabilities measured at amortised cost

Payables	239,140	221,700	262,361
Finance Leases	66,712	43,274	27,717
Total Financial Liabilities Measured at Amortised Cost	<u>305,852</u>	<u>264,974</u>	<u>290,077</u>

23. Events After Balance Date

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



Cornerstone Christian School

Members of the Board of Trustees - 2017

Name	Position
Richard Woodmass	Chairperson
Peter Ferrar	Principal
Simon McCracken	Proprietor Trustee
Richard Tankersley	Proprietor Trustee
Glenn de Groot	Proprietor Trustee
Jo Auer	Parent Trustee
Rachel Burn	Parent Trustee
Brayden Simpson	Parent Trustee
Rocky Ruihi-Lewis	Parent Trustee
Erika Snedden	Staff Trustee
Olivia de Groot	Student Trustee

Cornerstone Christian School

Kiwisport Report

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2017, Cornerstone Christian School received a total Kiwisport funding of \$7,806.92 (excluding GST).

The funding was spent on the employment of a part time sports coordinator, subsidising some student sports fees, athletics venue hire and purchase of resources.

The number of students participating in organised sport was in excess of 50% of the school population over the course of the year.

INDEPENDENT AUDITOR'S REPORT

CORNERSTONE CHRISTIAN SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The Auditor-General is the auditor of Cornerstone Christian School (the School). The Auditor-General has appointed me, Vivien Cotton, using the staff and resources of Cotton Kelly, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18, that comprise the statement of financial position as at 31 December 2017, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2017, and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector - Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 30 May 2018. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Trustees for the financial statements

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

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

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included in the Analysis of Variance, the Kiwi Sport Statement, the List of Trustees and Statement of Responsibility, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we are responsible for the audit of the Proprietor, Cornerstone Christian Education Trust. This audit is compatible with independence requirements. Other than this audit and the audit of Cornerstone Christian Education Trust, we have no relationship with, or interests in the School.



Vivien Cotton
Cotton Kelly
On behalf of the Auditor-General
Palmerston North
New Zealand

