

**VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST
AUCKLAND (PARTNERSHIP SCHOOL)**

Financial Statements

For the 15 months ended 31 December 2015

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

**FINANCIAL STATEMENTS
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015**

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VILLA EDUCATION TRUST -MIDDLE SCHOOL WEST ACUKLAND (PARTNERSHIP SCHOOL)

**MEMBERS OF THE TRUST BOARD
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015**

Name	Position	How Position on Board was gained	Term expired/expires
Alwyn Poole	Co-opted	Co-opted 16 September 2013	N/A
Karen Poole	Co-opted	Co-opted 16 September 2013	N/A
Lindsay Faris	Co-opted	Co-opted 16 September 2013	N/A
Michael Sapolu	Co-opted	Co-opted 16 September 2013	N/A
Cameron Astill	Co-opted	Co-opted 16 March 2015	N/A
Hayley Parsons	Co-opted	Co-opted 07 September 2015	N/A

VILLA EDUCATION TRUST -MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

**STATEMENT OF RESPONSIBILITY
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015**

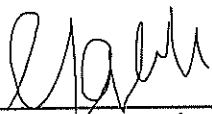
The Trust Board has pleasure in presenting the annual report of Villa Education Trust - Middle School West Auckland (the Trust), incorporating the financial statements and the auditor's report, for the 15 months ended 31 December 2015.

The Board accepts responsibility for the preparation of the 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 Trust's financial reporting.

In the opinion of the Board and management, the financial statements for the financial period fairly reflect the financial position and operations of the school.

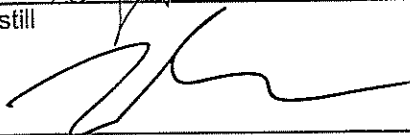
The Trust's 2015 financial statements are authorised for issue by the Board.



Cameron Astill

30/04/16

Date



Karen Poole

30/04/16

Date

Dated

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Villa Education Trust – Middle School West Auckland (Partnership School)

Report on the Financial Statements

We have audited the financial statements of Villa Education Trust – Middle School West Auckland (Partnership School) on pages 5 to 15 which comprise the statement of financial position as at 31 December 2015, the statement of financial performance and the statement of changes in equity for the 15 month period then ended, and a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements 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 Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

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

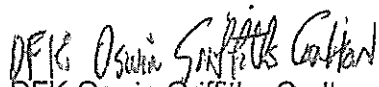
Other than in our capacity as auditor we provide business advisory services to the Trust, these services have not impaired our independence as auditor to the Trust.

We make it happen!

Opinion on Financial Position and Financial Performance

In our opinion the financial statements on pages 5 to 15:

- comply with generally accepted accounting practice in New Zealand; and
- give a true and fair view of the financial position of Villa Education Trust – Middle School West Auckland (Partnership School) as at 31 December 2015 and its financial performance for the period ended on that date.


DFK Oswin Griffiths Carlton
Chartered Accountants
30 April 2016
Auckland, New Zealand

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015**

	Notes	2015 (15 months) \$
Income		
Government grants	2	3,240,646
Local fundraising	3	126
Other Revenue		800
Interest		-
Gain on sale of asset		78
		<u>3,241,650</u>
Expenditure		
Learning resources	4	1,291,691
Administration	5	686,218
Property	6	229,575
Depreciation	7	116,873
		<u>2,324,357</u>
Net Surplus		<u>917,293</u>
Total Comprehensive Income		<u>917,293</u>

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

STATEMENT OF CHANGES IN EQUITY
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015

	Notes	2015 (15 months) \$
General Funds at the start of the period		-
Total comprehensive income		917,293
General Funds at the end of the period		<u>917,293</u>

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

STATEMENT OF FINANCIAL POSITION
AS AT 15 MONTHS ENDED 31 DECEMBER 2015

	Notes	2015 \$
General Funds		
Accumulated Surplus		<u>917,293</u>
Total General Funds		<u>917,293</u>
Represented by:		
Current Assets		
Trade and other receivables	8	9,331
Villa Education Trust (Balance Account)		<u>434,878</u>
		444,209
Current Liabilities		
Trade and other payables	10	<u>45,909</u>
		45,909
Working Capital Surplus		398,300
Non-current Assets		
Property, plant and equipment	9	<u>518,993</u>
		518,993
Net Assets		<u>917,293</u>

On behalf of the Villa Education Trust

Cameron Astill

Karen Poole

Dated

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31 DECEMBER 2015

1 Statement of Significant Accounting Policies

a) Reporting Entity

Villa Education Trust - South Auckland Middle School is a division of Villa Education Trust (the Trust), a Charitable Trust established under the Charitable Trusts Act 1957. The Trust became a sponsor of a Partnership School on 16 September 2013 established under the Education Act 1989. The Trust Board is of the view the Trust is a not-for-profit entity for financial reporting purposes.

b) Basis of Preparation

Financial reporting standards applied

The Education Act 1989 requires the Trust, as a sponsor of a Partnership school, to prepare financial statements in accordance with Generally Accepted Accounting Practice in New Zealand ('NZGAAP'). The financial statements have been prepared in accordance with NZ GAAP, applying New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate to not-for-profit entities that qualify for differential reporting.

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 periods presented.

Changes in Accounting Policies

There have been no change to accounting policies.

c) Income Recognition

Government grants

Operational grants are recorded as income as received. Other grants are recorded as income as received 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 income as the conditions are fulfilled.

Donations

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

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015

Interest Income

Interest income on cash and cash equivalents and investments is recorded as income in the period it is earned.

d) Trade and Other Receivables

Trade and other receivables are initially recorded at fair value and subsequently recorded at the amount the Trust realistically expects to receive. A provision for impairment of trade and other receivables is established where there is objective evidence the Trust will not be able to collect all amounts due according to the original terms of the debt.

e) Trade and Payables

Trade and other payables represents liabilities for goods and services provided to the Trust prior to the end of the financial period which are unpaid. Trade and other payables 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.

f) Leases

The Trust leases certain land and buildings.

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

g) Employee Entitlements

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.

For non-teaching staff, the Trust is required to report a liability in dollar terms for the relevant leave types, where this information is readily available. Any liability is reported in the school's trade and other payables note to the Financial Statements.

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015**

h) Financial Assets and Liabilities

The Trust's financial assets comprise cash and cash equivalents and trade and other receivables. All of these financial assets, are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

The Trust's financial liabilities comprise trade and other payables. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

i) 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.

j) Comparative Figures

There are no comparative figures since the school commenced in September 2014

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015

2 Government Grants

2015
(15 Months)
\$

Education Department Funding

3,240,646
3,240,646

3 Local Fundraising

2015
(15 Months)
\$

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

Income

Donations

126
126

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015

4 Learning Resources	2015
	(15 Months)
	\$
Art Consumables	6,282
Curriculum Resources	123,905
Class Excursions	9,024
Classroom Resources	3,002
Classroom Supplies	8,526
IT Support	49,794
Employee benefits - salaries	873,212
Kitchen Consumables	1,778
Music Consumables	3,416
Science Consumable	8,020
Sport Consuable	124,628
Staff development	7,528
Staff expenses	5,450
Technology Consumable	15,644
Uniforms	51,482
	<u>1,291,691</u>
5 Administration	
Accounting fees	3,075
Advertising	17,798
Architect Fees	1,800
Audit Fee	7,800
Cleaning	25,406
Contractors	18,941
Communication	5,679
Consumables and Postage	33,792
Donation	357
Employee benefits - salaries	250,798
Furnishing Expenses	13,976
Insurance	11,897
Legal fees	2,500
Licence fees	18,379
Motor Vehicle Lease	19,366
Motor Vehicle Expenses	5,913
Management fees	240,016
Other	2,053
Prizegiving	3,776
Security	2,653
Subscription	243
	<u>686,218</u>

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015**

6 Property

**2015
(15 Months)
\$**

Rent	193,648
Rates	2,168
Utilities	14,511
Ground maintenance	1,504
Repairs and maintenance	17,744
	<u>229,575</u>

7 Depreciation

**2015
(15 Months)
\$**

Leasehold Improvements	23,566
Furniture and equipment	6,519
Information and communication technology	86,788
	<u>116,873</u>

8 Trade and Other Receivables

**2015
(15 Months)
\$**

Prepayments	9,331
	<u>9,331</u>

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015

9 Property, Plant and Equipment

2015	Cost	Accumulated Depreciation	Book Value
	\$	\$	\$
Leasehold Improvements	408,148	(23,566)	384,582
Plant and Equipment	17,605	(2,612)	14,993
Computer Equipment	176,865	(86,709)	90,156
Office Equipment	33,169	(3,907)	29,262
	<u>635,787</u>	<u>(116,794)</u>	<u>518,993</u>

	2015 (15 months) \$
Net book value reconciliation	
Net book value at start of period	-
Less: Depreciation charge for the period	(116,873)
Add: Asset acquisition at cost	635,788
Profit on Sales	78
Net book value at period end	<u>518,993</u>

10 Trade and Other Payables

	2015 (15 Months) \$
Accruals	<u>45,909</u>
	45,909

The carrying value of payables approximates their fair value.

VILLA EDUCATION TRUST - MIDDLE SCHOOL WEST AUCKLAND (PARTNERSHIP SCHOOL)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTHS ENDED 31 DECEMBER 2015**

11 Related Party Transactions

The Partnership School and Villa Education Trust share a common bank account. Villa Education Trust provides services to the Partnership School. An administration charge of \$240,016 was charged by Villa Education Trust to the Partnership School for managing the school.

12 Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2015.

13 Commitments

	2015 (15 Months) \$
Operating Lease Commitments	
Less than 1 year	150,000
1 - 2 years	150,000
2 - 5 years	-
	<hr/> 300,000