



NAG 4 – Finance Report for Board of Trustees Monday, 20 June 2011

2010 Audited Accounts

It is difficult to accurately compare audited accounts between 2009 and 2010 as some recoding has taken place to align KNS practices with our new accountants practices and in 2010 Ministry of Education changed their requirements for the format of audited accounts. Therefore we feel it is more valuable to focus on what we actually did in 2010 and what we plan to do in the future.

School Specific Findings (refer Appendix 1)

- The staff banking liability of \$13,000 not included in the 2010 accounts will be deducted from the 2011 operations grant. If this had been included in the 2010 accounts the \$16,673 surplus would be reduced by \$13,000.

Statement of Comprehensive Income (page 4)

- Net Surplus of \$16,673 compared to Budget Deficit \$81,731 (variance \$98,404)
- **Variance was due to Income from International Students of \$101,705** (less International Student Expenditure \$28,298)
- In 2011 we aim to clearly identify all international student expenditure to more accurately reflect expenses.
- Loss on disposal of assets of \$20,000 in 2010 is due to Campbell tidying up the fixed Asset register to remove low value items.
- The decrease in Curriculum expenditure of \$32,000 compared with 2009 relates to coding of ICT related costs to admin expenditure.

Statement of Financial Position (page 6)

- **Working capital (uncommitted funds) reduced** from \$315,000 in 2009 to \$276,000 in 2010, which is above the \$247,000 which was budgeted for.
- A factor to consider is that there was a surplus of \$73,000 recorded for the 2010 International Student account.
- **Cash on hand decreased** from \$383,000 in 2009 to \$350,000 in 2010.
- Current liabilities at 31December 2010 included \$54,000 for international student income received in advance
- **Purchases of fixed assets** in 2010 totalled \$73,000 (ICT assets \$65,000 and library books \$7,000)
- **Spending on exterior painting** was \$125,000