

CHRISTIAN SCHOOLS TASMANIA
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
<u>INCOME</u>			
Tuition fees and charges		3,294,158	3,232,376
Commonwealth government recurrent grants		7,440,842	6,022,548
State government general education grants		2,343,742	1,842,415
State government interest subsidy		31,449	3,641
Other grants received		473,010	46,776
Donations – recurrent		12,514	18,639
Donations – capital		84,675	283,383
Interest received		11,368	9,422
Other income	5	243,056	89,201
		13,934,814	11,548,401
 <u>LESS EXPENDITURE</u>			
<u>EDUCATIONAL</u>			
Salaries and related expenses		6,583,753	6,702,508
Teaching resources		786,803	578,793
Other grants expenses		437,150	353,958
Computer expenses		122,995	115,815
Library expenses		15,729	20,625
Staff training		161,357	125,313
		8,107,787	7,897,012
 <u>SCHOOL OCCUPANCY</u>			
Cleaning		244,974	220,863
Depreciation		785,183	724,035
Grounds and garden expenses		255,067	245,270
Insurance		114,321	91,786
Light and power		120,516	123,726
Rates and taxes		93,393	74,117
Repairs and maintenance		158,614	107,370
		1,772,068	1,587,167
 <u>ADMINISTRATION</u>			
Advertising		158,478	95,730
Audit and accountancy		13,586	16,614
Bad and doubtful debts		75,911	29,276
Bank charges		18,999	27,545
Board and committee expenses		11,061	18,747
Charges foregone for non-current receivables		346	(19,570)
Interest paid		173,402	66,548
Legal and consultancy		137,053	102,893
Office rent		28,803	35,014
Postage		14,935	15,315
Salaries and related expenses		1,401,765	1,368,864
Stationery		36,495	43,340
Student transport costs		131,164	98,120

The notes on pages 9 to 18 are an integral part of these financial statements

CHRISTIAN SCHOOLS TASMANIA
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
EXPENDITURE - <u>ADMINISTRATION</u> (continued)			
Subscriptions and donations		71,772	67,392
Sundry		63,566	51,895
Telephone		29,179	32,071
Travelling		15,331	15,824
Work health and safety		76,116	66,239
		2,457,962	2,131,857
TOTAL OPERATING EXPENDITURE		12,337,817	11,616,036
SURPLUS / (DEFICIT) BEFORE INCOME TAX EXPENSE		1,596,997	(67,635)
Income tax expense		-	-
NET SURPLUS / (DEFICIT) AFTER INCOME TAX EXPENSE		1,596,997	(67,635)
Other comprehensive income for the year, net of tax		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,596,997	(67,635)

The notes on pages 9 to 18 are an integral part of these financial statements

CHRISTIAN SCHOOLS TASMANIA
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Note	2016 \$	2015 \$
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	6	14,373	2,450
Trade and other receivables	7	363,832	591,644
Investments	8	1,201,294	29,699
Prepayments		103,334	181,191
TOTAL CURRENT ASSETS		1,682,833	804,984
<u>NON-CURRENT ASSETS</u>			
Property, plant and equipment	9	15,954,474	16,246,757
Trade and other receivables	7	194,249	189,616
TOTAL NON-CURRENT ASSETS		16,148,723	16,436,373
TOTAL ASSETS		17,831,556	17,241,357
<u>CURRENT LIABILITIES</u>			
Trade and other payables	10	477,865	912,443
Loans and borrowings	11	624,125	1,790,017
Employee benefits	12	462,901	535,725
Deferred income	13	1,221,600	977,493
Other	14	-	5,000
TOTAL CURRENT LIABILITIES		2,786,491	4,220,678
<u>NON-CURRENT LIABILITIES</u>			
Loans and borrowings	11	2,414,000	2,031,705
Employee benefits	12	372,429	327,335
TOTAL NON-CURRENT LIABILITIES		2,786,429	2,359,040
TOTAL LIABILITIES		5,572,920	6,579,718
NET ASSETS		12,258,636	10,661,639
<u>EQUITY</u>			
Reserves	15	460,128	456,722
Retained earnings	16	11,798,508	10,204,917
TOTAL EQUITY		12,258,636	10,661,639

The notes on pages 9 to 18 are an integral part of these financial statements

CHRISTIAN SCHOOLS TASMANIA
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
<u>RETAINED EARNINGS</u>			
	16		
Balance at 1 January		10,204,917	10,399,607
ADD / (LESS)			
Other comprehensive income		-	-
(Deficit) / Surplus for the year		1,596,997	(67,635)
Total comprehensive income		<u>1,596,997</u>	<u>(67,635)</u>
Transfer from Reserves		25,362	-
Transfer to Reserves		(28,768)	(127,055)
Balance at 31 December		<u>11,798,508</u>	<u>10,204,917</u>
<u>RESERVES</u>			
	15		
Balance at 1 January		456,722	329,667
ADD / (LESS)			
Transfer to Retained Earnings		(25,362)	-
Transfer from Retained Earnings		28,768	127,055
Balance at 31 December		<u>460,128</u>	<u>456,722</u>

CHRISTIAN SCHOOLS TASMANIA
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash receipts from operations		15,041,887	12,230,400
Cash paid to suppliers and employees		(12,944,946)	(11,780,622)
Interest received		11,368	9,422
Interest and other costs of finance paid		(167,954)	(62,331)
Net cash from operating activities		<u>1,940,355</u>	<u>396,869</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Capital grants received		400,000	-
Proceeds from sale of property, plant and equipment		629,497	61,734
Acquisition of property, plant and equipment		(997,289)	(3,599,165)
Net cash provided by / (used in) investing activities		<u>32,208</u>	<u>(3,537,431)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from borrowings		3,986,138	11,495,375
Repayment of borrowings		(4,751,537)	(8,422,280)
Net cash provided by / (used in) financing activities		<u>(765,399)</u>	<u>3,073,095</u>
Net increase (decrease) in cash and cash equivalents		1,207,164	(67,467)
Cash and cash equivalents at 1 January		8,503	75,970
Cash and cash equivalents at 31 December	20	<u>1,215,667</u>	<u>8,503</u>

The notes on pages 9 to 18 are an integral part of these financial statements

CHRISTIAN SCHOOLS TASMANIA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 1: BASIS OF PREPARATION

These financial statements are general purpose financial statements which have been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards – Reduced Disclosure Requirements, and comply with other requirements of the law. For the purposes of these financial statements, the Company is a not-for-profit organisation.

The financial statements were authorised for issue by the Board of Directors on 23 March 2017.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

These financial statements are presented in Australian dollars, which is the Company's functional currency.

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, income and expenses. Actual results may differ from these estimates.

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring the substance of the underlying transaction and other events is reported.

Key sources of estimation uncertainty

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.

As described in Note 2(d), the Company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. During the financial year, the directors made no change to the useful lives of the property, plant and equipment held.

Application of new and revised Accounting Standards

In the current year, there were no new or revised AASBs issued by the Australian Accounting Standards Board (AASB) which resulted in any changes to the Company's existing accounting policies.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied to all periods presented in the financial statements, unless otherwise stated. Certain comparative amounts have been reclassified to conform with the current year's presentation.

a. School Councils

The results, assets and liabilities of the following operations of the Company are not included in these accounts:

Calvin Christian School – School Council

Calvin Christian School – School Council – Oliebollen / Fundraising Committee

Channel Christian School – School Council

Emmanuel Christian School – School Council

Northern Christian School – School Council

Separate financial statements for the above School Councils are available to all members of the Company. Such statements are subject to annual independent review by a certified auditor.

b. Revenue

Revenue from the rendering of education services is recognised upon the delivery of the education to students.

The Company's educational activity is supported by grants received from the Commonwealth and State Governments. Grants received on the condition that specified services are delivered, or conditions are fulfilled, are considered reciprocal. Such grants are recognised as deferred income when there is reasonable assurance that they will be received and that the Company will comply with the conditions associated with the grant. Revenue is recognised as services are performed or conditions fulfilled.

CHRISTIAN SCHOOLS TASMANIA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Revenue (continued)

Interest income is recognised as it accrues, using the effective interest method.
 All revenue is stated net of the amount of goods and services tax (GST).

c. Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

d. Property, plant and equipment

Property, plant and equipment are brought to account at cost, less, where applicable, any accumulated depreciation or amortisation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Work in progress is valued at cost.

The carrying amount of property, plant and equipment is reviewed annually by the Company to ensure it is not in excess of the recoverable amount from those assets. The depreciable amount of all fixed assets including buildings, but excluding freehold land, are depreciated over their useful lives commencing from the time the asset is held ready for use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant or equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation is recognised as an expense on a straight line and/or diminishing value basis. The depreciation rates and basis used for each class of depreciable asset are:

<u>Class of Asset</u>	<u>Rate</u>	<u>Basis</u>
Buildings and improvements	1.5 – 20%	Straight line / Diminishing value
Plant, equipment, furniture and fittings	2.5 – 33.34%	Straight line / Diminishing value
Motor vehicles and buses	10 – 22.5%	Straight line / Diminishing value

e. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

f. Loans and Receivables

Trade receivables, loans and other receivables are recorded at amortised cost less impairment.

g. Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CHRISTIAN SCHOOLS TASMANIA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

g. Impairment of financial assets (continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

h. Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. The value in use is the depreciated replacement cost. The depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation (to reflect the already consumed or expired economic benefits of the asset).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

i. Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade payables are normally settled within thirty (30) days. The net fair value of Creditors approximates their carrying amounts.

j. Deferred income

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant.

k. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year, together with benefits arising from wages and salaries and annual leave which will be settled after one year, have been measured at their nominal amount based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related on-costs.

The Company's net obligation in respect of long service leave benefits which will be settled after one year is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs. That benefit is discounted to determine its present value.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

l. Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method.

CHRISTIAN SCHOOLS TASMANIA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m. Taxation

The Company is exempt from the payment of income tax under Division 50 of the Income Tax Assessment Act 1997. This exemption has been confirmed by the Australian Taxation Office.

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from or payable to the Australian Taxation Office are classified as operating cash flows.

NOTE 3: WORKING CAPITAL

As at 31 December 2016, the Company had a working capital deficiency of \$1,103,658 (2015: \$3,415,694). The working capital deficiency has arisen due to the timing of the receipt of funds from grant funding providers and tuition fee income, combined with the expenditure of short term resources on long term assets.

The Company will finance its ongoing operations through recurrent government grants and tuition fees income anticipated to exceed \$13 million in 2017.

It is noted that current liabilities include \$438,125 (2014: \$472,278) of short-term loans to the Company. These loans are provided on rolling fixed terms of 6 months and the current term is due to expire on 30 June 2017. The Company's going concern position is based on the firm expectation that these loans will continue to be rolled over.

A Business Line of Credit facility for \$2.185 million (2015: \$2.185 million) is available to meet any short-term cash flow needs. At 31 December 2016, this had been drawn to the extent of \$nil (2015: \$1,294,093). This loan has an indefinite term and is subject to annual review. It can be cancelled by the Commonwealth Bank of Australia with 30 days' notice.

Significant cash receipts were received in January 2017 to correct the working capital deficiency, including Commonwealth grants. Deferred income shown in the Statement of Financial Position is to be recognised as revenue with the continued operation of the Company in 2017.

As a result of the above the directors are of the opinion that the basis upon which the financial statements are prepared is appropriate, and the company will be able to realise its assets and settle its liabilities in the ordinary course of business.

NOTE 4: LIABILITY OF MEMBERS

The liability of the members of the Company is limited by guarantee in accordance with the Constitution to an amount of \$2 per member. The Company had 529 members at 31 December 2016 (2015: 529 members).

CHRISTIAN SCHOOLS TASMANIA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
NOTE 5: OTHER INCOME			
Gain / (Loss) from disposal of property, plant and equipment		151,476	15,621
Bus charges		9,674	9,149
Sundry Income		81,906	64,431
		243,056	89,201
NOTE 6: CASH AND CASH EQUIVALENTS			
Cash on hand		2,450	2,450
Cash at bank		11,923	-
		14,373	2,450
NOTE 7: TRADE AND OTHER RECEIVABLES			
<u>CURRENT</u>			
Trade debtors		586,861	680,339
Less: Impairment of trade debtors		(283,735)	(258,759)
		303,126	421,580
Other debtors		60,706	170,064
		363,832	591,644
<u>NON-CURRENT</u>			
Trade debtors		194,249	189,616
		194,249	189,616
NOTE 8: INVESTMENTS			
Cash on deposit		1,201,000	4,058
OJ Hofman Memorial Gift Fund		176	191
CST Building Fund		118	25,450
		1,201,294	29,699
NOTE 9: PROPERTY, PLANT AND EQUIPMENT			
9(a) Land at:			
- cost		444,046	444,046
		444,046	444,046
Buildings and improvements at:			
- cost		17,657,941	15,261,585
- less accumulated depreciation		(3,724,260)	(3,477,329)
		13,933,681	11,784,256
Plant and equipment at:			
- cost		3,433,037	2,795,486
- less accumulated depreciation		(2,469,829)	(2,143,687)
		963,208	651,799
Furniture and fittings at:			
- cost		1,061,994	970,596
- less accumulated depreciation		(777,125)	(719,399)
		284,869	251,197

CHRISTIAN SCHOOLS TASMANIA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016	2015
		\$	\$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT (continued)			
Motor vehicles and buses at:			
- cost		574,678	490,894
- less accumulated depreciation		(328,164)	(301,204)
		246,514	189,690
 Work in Progress at cost		 82,156	 2,925,769
		82,156	2,925,769
 TOTAL PROPERTY, PLANT AND EQUIPMENT		15,954,474	16,246,757
 9(b) Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current and previous financial years are as follows:			
<u>LAND</u>			
Carrying amount at beginning		444,046	488,900
Additions		-	-
Transfer to Buildings and Improvements		-	(44,854)
		444,046	444,046
 <u>BUILDINGS AND IMPROVEMENTS</u>			
Carrying amount at beginning		11,784,256	11,633,504
Additions		56,144	49,355
Transfer from Land		-	44,855
Transfer from Work in Progress		2,910,660	331,223
Disposals		(570,448)	(4,330)
Depreciation expense		(336,144)	(271,195)
Depreciation write back on disposals		89,213	844
		13,933,681	11,784,256
 <u>PLANT AND EQUIPMENT</u>			
Carrying amount at beginning		651,799	713,153
Additions		236,589	272,034
Transfer from Work in Progress		417,092	15,848
Disposals		(16,131)	(456,422)
Depreciation expense		(339,156)	(349,236)
Depreciation write back on disposals		13,015	456,422
		963,208	651,799
 <u>FURNITURE AND FITTINGS</u>			
Carrying amount at beginning		251,197	263,639
Additions		58,026	42,541
Transfer from Work in Progress		57,729	17,885
Disposals		(24,357)	(53,989)
Depreciation expense		(81,124)	(72,868)
Depreciation write back on disposals		23,398	53,989
		284,869	251,197

CHRISTIAN SCHOOLS TASMANIA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT (continued)			
<u>MOTOR VEHICLES</u>			
Carrying amount at beginning		189,690	227,587
Additions		85,584	35,465
Transfer from Work in Progress		-	-
Disposals		(1,800)	(121,560)
Depreciation expense		(28,760)	(30,735)
Depreciation write back on disposals		1,800	78,933
		246,514	189,690
 <u>WORK IN PROGRESS</u>			
Carrying amount at beginning		2,925,769	94,456
Additions		560,946	3,199,770
Transfer to completed assets		(3,385,481)	(364,956)
Expensed		(19,078)	(3,501)
		82,156	2,925,769
 NOTE 10: TRADE AND OTHER PAYABLES			
<u>CURRENT</u>			
Trade creditors		103,091	545,170
Sundry creditors and accruals		374,774	367,273
		477,865	912,443
 NOTE 11: LOANS AND BORROWINGS			
<u>CURRENT</u>			
Bank overdraft – secured		-	23,646
Business Line of Credit drawdown – secured		-	1,294,093
Market Rate Loan – secured		186,000	-
Members loans – unsecured		438,125	472,278
		624,125	1,790,017
 <u>NON-CURRENT</u>			
Market Rate Loan		2,414,000	2,031,705
		2,414,000	2,031,705

The Company has a bank overdraft limit of \$40,000 (2015: \$40,000). As at 31 December 2016 this had been drawn to the extent of \$nil (2015: \$23,646). The bank overdraft is secured by a registered first mortgage over the freehold properties of the Company.

The Company also has a Business Line of Credit facility for \$2.185 million (2015: \$2.185 million). At 31 December 2016, this had been drawn to the extent of \$nil (2015: \$1,294,093). This loan has an indefinite term and is subject to annual review. It can be cancelled by the Commonwealth Bank of Australia with 30 days' notice.

NOTE 12: EMPLOYEE BENEFITS

CURRENT

Annual leave		53,359	82,359
Long service leave		409,542	453,366
		462,901	535,725

CHRISTIAN SCHOOLS TASMANIA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
NOTE 12: EMPLOYEE BENEFITS (continued)			
<u>NON-CURRENT</u>			
Long service leave		372,429	327,335
		372,429	327,335
NOTE 13: DEFERRED INCOME			
Government grants in advance		1,221,600	977,493
		1,221,600	977,493
NOTE 14: OTHER CURRENT LIABILITIES			
Rental property security bond		-	5,000
Contract retentions		-	-
		-	5,000
NOTE 15: RESERVES			
OJ Hofman Memorial Gift Fund Reserve		388,582	359,814
CST Building Fund Reserve		71,546	96,908
		460,128	456,722
NOTE 16: RETAINED EARNINGS			
Retained earnings at the beginning of the financial year		10,204,917	10,399,607
Net surplus/(deficit) attributable to the Company		1,596,997	(67,635)
Transfer from Reserves			
Transfer (to)/from OJ Hofman Memorial Gift Fund Reserve		(28,768)	(30,147)
Transfer (to)/from CST Building Fund Reserve		25,362	(96,908)
Retained earnings at the end of the financial year		11,798,508	10,204,917
NOTE 17: CAPITAL AND LEASING COMMITMENTS			
17(a) <u>CAPITAL EXPENDITURE COMMITMENTS</u>			
balance date but not recognised as liabilities:			
- not later than 1 year		550,245	122,489
- later than 1 year but not later than 5 years		-	-
		550,245	122,489
17(b) <u>OPERATING LEASE COMMITMENTS</u>			
Rent of offices, equipment and information communication technology, payable:			
- not later than 1 year		67,704	53,102
- later than 1 year but not later than 5 years		90,649	91,066
- later than 5 years		-	-
		158,353	144,168

The property lease is a non-cancellable lease with a three year term plus two year option expiring 30 June 2018, with rent payable monthly in advance.

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NOTE 18: KEY MANAGEMENT PERSONNEL COMPENSATION

18(a) DIRECTORS

No director received remuneration in connection with their position as director.

18(b) OTHER KEY MANAGEMENT PERSONNEL COMPENSATION

	2016	2015
	\$	\$
Compensation to other members of key management personnel of the Company	269,469	252,838
	269,469	252,838

NOTE 19: RELATED PARTY TRANSACTIONS

19(a) No director has received or has become entitled to receive a benefit by reason of a contract made with the Company, other than contracts entered into by the Company and firms or employees of directors in the normal course of business.

19(b) INTEREST IN CONTRACTS

A number of directors, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

The terms and conditions of the transactions entered into during the year between the Company and directors, or their related parties, were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to other members, employees, customers or suppliers. These include:

- school fees and related charges in line with published schedules and standard charges.
- engagement of media production services from Mr P Atkinson, amounting to \$550 (2015: \$nil).

19(c) LOANS PAYABLE TO RELATED PARTIES

The aggregate amount of loans from Directors and related parties of Directors to the Company totalled \$25,000 as at 31 December 2016 (2015: \$25,000). The interest paid on these loans during the year totalled \$294 (2015: \$468).

	2016	2015
	\$	\$
NOTE 20: CASH FLOW INFORMATION		
<u>RECONCILIATION OF CASH AND CASH EQUIVALENTS</u>		
Cash on hand	2,450	2,450
Cash at bank	11,923	-
Cash on deposit	1,201,294	29,699
Overdrafts and other cash borrowings	-	(23,646)
	1,215,667	8,503

NOTE 21: CONTINGENCIES

On 20 March 2015, the Company issued a Media Release regarding reported allegations of sexual misconduct at Calvin Christian School which occurred more than 25 years ago. The allegations were referred to the Police and a full investigation has been conducted. To date there has been no further action or claims arising from this matter.

A further media release on 3 March 2017 outlined that the Company commissioned its own independent investigation to try to determine if there was available evidence to warrant pursuing prosecution of the alleged offenders. Police have recently completed their review of the investigation's reports and have advised that the available evidence does not support further action on their part.

CHRISTIAN SCHOOLS TASMANIA
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NOTE 22: EVENTS AFTER THE REPORTING PERIOD

There has not been any matter or circumstance thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future years.