

THE SILVER TREE STEINER SCHOOL INC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017



Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS

Street Address:

Unit 8
210 Winton Road
JOONDALUP WA 6027

Postal Address:

PO Box 229
JOONDALUP DC WA 6919

By Appointment:

Level 28, AMP Tower
140 St Georges Terrace
PERTH WA 6000

T: (08) 9300 0400 E: reception@amwaudit.com.au

W: www.amwaudit.com.au ABN 59 125 425 274

Liability limited by a scheme approved under Professional Standards Legislation


THE SILVER TREE STEINER SCHOOL INC

STATEMENT BY BOARD

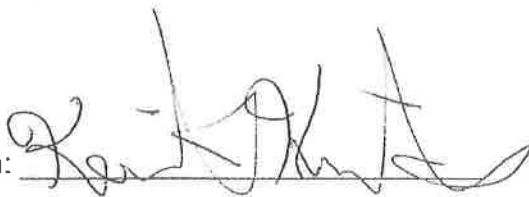
In the opinion of the Board of The Silver Tree Steiner School Inc;

- a) there are reasonable grounds to believe that Silver Tree Steiner School is able to pay all of its debts, as and when they become due and payable; and
- b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Sign: 

Name BRUCE UCHIYAMA-LIE
Position BOARD CHAIR PERSON

Sign: 

Name KEITH HUTCHINGS
Position ORDINARY BOARD MEMBER

Dated this 15th day of May 2018



Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS, REGISTERED COMPANY
AUDITORS AND REGISTERED SMSF AUDITORS

Postal Address:

PO Box 229, JOONDALUP DC WA 6919

P: 1300 284 330

E: reception@amwaudit.com.au

ABN 59 125 425 274

Liability limited by a scheme approved under Professional Standards Legislation

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SILVER TREE STEINER SCHOOL INC.

Qualified Opinion

We have audited the financial report of Silver Tree Steiner School Inc. ("the School") which comprises the balance sheet as at 31 December 2017, the income statement, statement of changes in equity and the statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, and the board's declaration.

In our opinion, except for the possible effect of the matters described in the Basis for Qualified Opinion paragraphs, the accompanying financial report of the School is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the School's financial position as at 31 December 2017 and of its financial performance and cash flows for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Qualified Opinion

We were unable to satisfy ourselves regarding the 31 December 2017 balances disclosed as part of creditors regarding "Deposits in Advance" of \$30,161 and "Deposits in Advance Owing" of \$16,095.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the School in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to directors, would be in the same terms if given as at the time of this auditor's report.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and the Board for the Financial Report

Management is responsible for the preparation of the special purpose financial report that gives a true and fair view in accordance with the relevant Australian Accounting Standards in accordance with the *Australian Charities and Not-for Profits Commission Regulations 2013* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.



In preparing the special purpose financial report, management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the School or to cease operations, or have no realistic alternative but to do so.

The Board is responsible for overseeing the School's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting 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 report 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.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.



We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Anderson munro + wyllie

ANDERSON MUNRO & WYLLIE

Chartered Accountants

Address: Unit 8, 210 Winton Road, Joondalup, Western Australia

MSh

MARTIN SHONE

Principal & Registered Company Auditor

Dated at Perth, Western Australia this 2nd day of May 2018



Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS, REGISTERED COMPANY
AUDITORS AND REGISTERED SMSF AUDITORS

Postal Address:

PO Box 229, JOONDALUP DC WA 6919

P: 1300 284 330

E: reception@amwaudit.com.au

ABN 59 125 425 274

Liability limited by a scheme approved under Professional Standards Legislation

AUDITOR'S INDEPENDENCE DECLARATION

To: the board members of Silver Tree Steiner School Inc.

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2017 there have been:

- No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

Dated this 2nd day of May 2018

AMW (AUDIT) PTY LTD

Anderson Munro & Wyllie

ANDERSON MUNRO & WYLLIE
Chartered Accountants

Martin Shone

MARTIN SHONE
Principal

THE SILVER TREE STEINER SCHOOL INC

BALANCE SHEET AS AT 31 DECEMBER 2017

	NOTE	2017 \$	2016 \$
CURRENT ASSETS			
Cash & cash equivalents	2	429,734	328,353
Trade & other receivables	3	74,022	402,241
Total Current Assets		<u>503,756</u>	<u>730,594</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	4	2,097,745	2,101,042
Total Non-Current Assets		<u>2,097,745</u>	<u>2,101,042</u>
TOTAL ASSETS		2,601,500	2,831,636
CURRENT LIABILITIES			
Trade & other payables	5	262,005	485,396
Provisions	6	20,081	33,813
Interest Bearing Liabilities	7	62,452	61,572
Total Current Liabilities		<u>344,538</u>	<u>580,781</u>
NON-CURRENT LIABILITIES			
Provisions	6	150,617	42,160
Interest Bearing Liabilities	7	522,272	585,015
Total Non-Current Liabilities		<u>672,889</u>	<u>627,174</u>
TOTAL LIABILITIES		1,017,427	1,207,955
NET ASSETS		<u>1,584,073</u>	<u>1,623,681</u>
ACCUMULATED FUNDS			
Accumulated Surplus		1,623,681	1,405,003
(Deficit)/Surplus For The Year		(39,609)	218,678
		<u>1,584,073</u>	<u>1,623,681</u>

This Balance Sheet should be read in conjunction with the accompanying notes.

THE SILVER TREE STEINER SCHOOL INC

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
OPERATING INCOME		
Tuition Fees	922,323	914,430
Kindy Care	25,421	27,503
Application & Administration Fees	4,218	4,480
Enrolment Fees	26,500	19,500
Music Tuition	46,431	3,960
Other Fees	22,458	14,544
Donations	2,739	1,200
Grants - State Government	351,531	333,112
Commonwealth Government	1,092,333	897,941
AISWA - Grants	15,239	22,963
Special Education Grant	8,228	2,159
Grants - Other	4,980	5,814
Miscellaneous Income	6,756	22,866
	<u>2,529,158</u>	<u>2,270,473</u>
OTHER INCOME		
Interest Received	858	1,086
Insurance Compensation	-	4,500
	<u>858</u>	<u>5,587</u>
TOTAL INCOME	<u>2,530,016</u>	<u>2,276,060</u>

This Income Statement should be read in conjunction with the accompanying notes.

THE SILVER TREE STEINER SCHOOL INC

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
LESS: EXPENDITURE		
Accounting & Audit Fees	18,423	4,148
Advertising & Marketing	5,399	5,573
Bad Debts Written Off	74,482	(48,786)
Bank Charges	6,338	3,861
Cleaning Contractor	34,288	29,817
Computer & IT Expenses	4,090	3,090
Conferences	10,052	-
Consultancy Fees	-	13,032
Depreciation	55,984	57,552
Early Childhood Expenses	18,300	20,620
Equipment under \$500	2,449	540
FBT Expense	1,722	-
Freight	84	309
Gardening Contractor	41,647	33,123
General Office Expense	7,979	9,240
Graduation Dinner	1,801	-
Grants	-	1,387
Incursions/Excursions/Trips Expenditure	22,493	24,312
Insurance - workers compensation, general	31,101	39,142
Interest Paid	9,911	10,754
Lease on Vehicles	-	5,075
Long Service Leave Provision	119,382	(5,205)
Maintenance Expenses	59,042	50,706
Other General Expenses	2,021	3,366
Photocopier Expenses	5,312	4,438
Postages, Telephone, Internet	5,036	6,594
Public Performances/ Displays	-	35
Rates and taxes	282	1,651
Rent	11,252	11,221
Salaries	1,762,336	1,541,405
School Expenses	36,838	30,757
School Program	8,310	9,120
Staff Training - Professional Developments	16,792	15,950
Subscriptions	16,767	10,802
Superannuation	166,988	146,837
Travelling Expenses	-	88
Utilities - Electricity, Gas and Water	8,767	12,535
Waste	3,955	4,296
	<u>2,569,625</u>	<u>2,057,382</u>
Net (Deficit)/Surplus For The Year	<u>(39,609)</u>	<u>218,678</u>

This Income Statement should be read in conjunction with the accompanying notes.

THE SILVER TREE STEINER SCHOOL INC

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2017

	Accumulated Surplus \$	Total Accumulated Funds \$
Balance at 1 January 2016	1,405,003	1,405,003
Net Surplus for the year	218,678	218,678
Balance at 31 December 2016	<u>1,623,681</u>	<u>1,623,681</u>
Net Deficit for the year	(39,609)	(39,609)
Balance at 31 December 2017	<u><u>1,584,073</u></u>	<u><u>1,584,073</u></u>

THE SILVER TREE STEINER SCHOOL INC

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	NOTE	2017 \$	2016 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from fees, grants and other income		2,633,429	2,225,983
Payments to suppliers and employees		(2,408,446)	(1,976,058)
Interest received		858	1,086
Interest paid		(9,911)	(10,754)
Net cash provided by operating activities	8(b)	<u>215,930</u>	<u>240,257</u>
CASH FLOW FROM INVESTING ACTIVITES			
Purchases of property, plant and equipment		<u>(52,687)</u>	<u>(107,665)</u>
Net cash used in investing activities		<u>(52,687)</u>	<u>(107,665)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings		<u>(61,862)</u>	<u>(61,019)</u>
Net cash used in financing activities		<u>(61,862)</u>	<u>(61,019)</u>
NET INCREASE IN CASH HELD		101,381	71,573
Cash at the beginning of the year		328,353	256,780
Cash at the end of the year		<u><u>429,734</u></u>	<u><u>328,353</u></u>

THE SILVER TREE STEINER SCHOOL INC

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These special purpose accounts reflect the activities of The Silver Tree Steiner School Inc.

The accounts have been prepared specifically to assist the Board of Directors in management of the School funds.

Where relevant, the accounting policies adopted conform to Statement of Accounting Concepts and applicable Australian Accounting Standards issued by the appropriate accounting bodies. Variations from Accounting Standard Concepts are detailed in the following summary of accounting policies.

a) Basis of preparation

The accounts are prepared in accordance with the historical convention on accrual basis. Except where otherwise stated accounting policies are consistent with those of the previous year.

The financial report has been prepared in accordance with the requirements of the Australian Charities and Charities and Not-for-profits Commission Act 2012 and the following Australian Accounting Standards:

AASB 101, Presentation of Financial Statements
AASB 107, Statement of Cash Flows
AASB 108, Accounting Policies, Changes in accounting Estimates and Errors
AASB 1048, Interpretation of Standards
AASB 1054, Australian Additional Disclosures.

b) Income Tax

The Silver Tree Steiner School is exempt from payment of income tax under section 23(2) of the Income Tax Assessment Act.

c) Property, Plant and Equipment

Land is shown on the balance sheet at cost. Furniture, equipment, plant, machinery and buildings are carried at cost and depreciated over expected useful lives using diminishing value method. Fixed assets with a cost of \$500 or less are expensed in the period purchased. The following estimated useful lives are used in the calculation of depreciation:

Furniture & Equipment, Plant & Machinery	2 - 25 years
Buildings	10 - 20 years

d) Security Arrangements

Low interest Loans are secured with 695 Roland Road, Parkerville.

e) Receivables and Prepaid Expenses

All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

f) Provision for Bad Doubtful Debts and Bad Debts Write-Off

A provision for doubtful debts is made on specific debtors and bad debts are only written off where it is confirmed that this will not be received.

THE SILVER TREE STEINER SCHOOL INC

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Employee Benefits

i) Annual Leave and Sick Leave

Annual leave and sick leave are no longer recognised in the financial statements in as all leave is cleared within the financial year.

ii) Long Service Leave

A liability for long service leave is recognised, and is measured at the current vales of leave owing to the respective employee. The calculation has been made for those employees who are entitled to a pro-rata of the long service in terms of AISWA award up to 31 December 2014, thereafter Silver Tree Steiner School Inc.'s own policy was in effect for teaching staff. Non-teaching staff are under AISWA.

h) Comparative figures

Comparative figures have been reclassified in line with current year's presentation.

	2017 \$	2016 \$
2. CASH & BANK		
Petty Cash	1,269	587
Bendigo Bank - Operating Account	250,398	167,202
Bendigo Bank - Bond Account	36,100	36,028
Bendigo Bank - Building Fund Account	91,324	73,430
Bendigo Bank - Long Service Leave Account	30,166	30,106
Bendigo Bank - Debit Visa Account	477	1,131
Term Deposit	20,000	20,000
Undeposited Funds	-	(130)
	<u>429,734</u>	<u>328,353</u>
3. RECEIVABLES		
Debtors	159,140	414,393
Provision for Doubtful Debts	(93,306)	(18,824)
Prepayments	8,188	6,672
	<u>74,022</u>	<u>402,241</u>
4. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
Land at Cost	968,673	968,673
Building at Cost	1,070,795	1,025,897
Accumulated Depreciation	(229,836)	(189,709)
	<u>1,809,631</u>	<u>1,804,861</u>
Furniture & Equipment		
At Cost	102,563	94,774
Accumulated Depreciation	(44,158)	(38,277)
	<u>58,406</u>	<u>56,497</u>

THE SILVER TREE STEINER SCHOOL INC

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 \$	2016 \$
4. PROPERTY, PLANT AND EQUIPMENT (continued)		
Plant & Machinery		
At Cost	300,597	300,597
Accumulated Depreciation	(70,889)	(60,913)
	<u>229,708</u>	<u>239,684</u>
Total Property, Plant and Equipment	<u>2,097,745</u>	<u>2,101,042</u>
5. CREDITORS AND ACCRUALS		
Creditors	391	18,386
Deposits Received in Advance up to 2015	46,256	69,513
Deposits Received in Advance from 2016	88,995	35,175
Debtors invoiced in advance	-	256,888
Fees Received in Advance	15,124	14,263
Accruals	35,515	32,158
GST Payable	67,331	56,982
PAYG Payable	6,121	(239)
Superannuation Payable	2,122	2,270
Other Payables	150	-
	<u>262,005</u>	<u>485,396</u>
6. PROVISIONS		
Current		
Provision for Long Service Leave	20,081	33,813
	<u>20,081</u>	<u>33,813</u>
Non-Current		
Provision for Long Service Leave	150,617	42,160
	<u>150,617</u>	<u>42,160</u>
7. INTEREST BEARING LIABILITIES		
Current		
Low Interest Loan No. 2129	52,877	52,008
Low Interest Loan No. 2230	9,575	9,564
	<u>62,452</u>	<u>61,572</u>
Non-Current		
Low Interest Loan No. 2129	386,803	440,206
Low Interest Loan No. 2230	135,469	144,809
	<u>522,272</u>	<u>585,015</u>
Total Interest Bearing Liabilities	<u>584,724</u>	<u>646,587</u>

THE SILVER TREE STEINER SCHOOL INC

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

8. CASH FLOW INFORMATION

(a) Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related

Bank Accounts

Petty cash	1,269	587
Cash at bank	428,465	327,766
	<u>429,734</u>	<u>328,353</u>

(b) Reconciliation of Cash Flow from Operations with Operating Deficit

Net (deficit)/surplus	(39,609)	218,679
Non-cash flows in operating deficit		
Depreciation	55,984	57,552
(Increase)/decrease in receivables and other debtors	329,735	(333,220)
(Increase)/decrease in prepayments	(1,516)	(1,399)
Increase/(decrease) in creditors and accruals	(223,389)	291,523
Increase/(decrease) in provision for employee benefits	94,725	7,122
Net Cash Flows from Operations	<u>215,930</u>	<u>240,257</u>

9. COMMITMENTS AND CONTINGENT LIABILITIES

Grant funds received from the Commonwealth under the BER program are repayable by the school if the school breaches the relevant clauses in the BGA Participant Agreement. The amount of contingent liability diminishes with time and is estimated at 31 December 2017 as \$756,500.

There were no commitments at year end.

10. EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the year which will significantly affect, or may significantly affect, the state of affairs or operations of the school subsequent to the year ended 31 December 2017.