

TE KOWHAI SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address: 605 Horotiu Rd, Te Kowahi 3288

School Postal Address: Horotiu Road RD8, Hamiton 3288

School Phone: 07-8297860

School Email: admin@tekowhai.school.nz

Ministry Number: 2007

TE KOWHAI SCHOOL

Financial Statements - For the year ended 31 December 2017

Index

Page	Statement
<u>1</u>	Statement of Responsibility
<u>2</u>	Statement of Comprehensive Revenue and Expense
<u>3</u>	Statement of Changes in Net Assets/Equity
<u>4</u>	Statement of Financial Position
<u>5</u>	Statement of Cash Flows
<u>6 - 10</u>	Statement of Accounting Policies
<u>11- 19</u>	Notes to the Financial Statements

TE KOWHAI 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 JOHN SPELMAN

Full Name of Board Chairperson



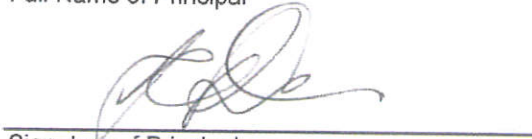
Signature of Board Chairperson

Date:

9/8/18

Juliet Christine Dickinson

Full Name of Principal



Signature of Principal

Date:

9.8.18.

TE KOWHAI SCHOOL

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	2,662,189	2,539,000	2,550,490
Locally Raised Funds	3	258,432	236,300	372,912
Interest Earned		10,054	6,500	7,307
		<u>2,930,675</u>	<u>2,781,800</u>	<u>2,930,709</u>
Expenses				
Locally Raised Funds	3	93,502	119,600	148,497
Learning Resources	4	1,924,377	1,829,150	1,814,554
Administration	5	134,655	111,850	108,166
Finance		1,934	1,000	871
Property	6	695,556	654,300	653,968
Depreciation	7	115,458	61,190	94,983
Loss on Disposal of Property, Plant and Equipment	11	377	-	339
Amortisation of Intangible Assets	12	9,078	4,810	12,429
		<u>2,974,937</u>	<u>2,781,900</u>	<u>2,833,807</u>
Net Surplus / (Deficit) for the year		(44,262)	(100)	96,902
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(44,262)</u>	<u>(100)</u>	<u>96,902</u>

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



TE KOWHAI SCHOOL**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
Balance at 1 January	962,849	962,849	855,473
Total comprehensive revenue and expense for the year	(44,262)	(100)	96,902
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	10,474
Equity at 31 December	918,587	962,749	962,849

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



TE KOWHAI SCHOOL
Statement of Financial Position
As at 31 December 2017

		2017	2017	2016
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	8	333,405	415,660	300,670
Accounts Receivable	9	103,020	105,100	181,271
GST Receivable		12,387	10,000	4,824
Prepayments		6,090	6,000	1,699
Inventories	10	2,842	3,000	27,874
		<u>457,744</u>	<u>539,760</u>	<u>516,338</u>
Current Liabilities				
Accounts Payable	13	114,410	116,000	126,172
Revenue Received in Advance	14	10,846	11,000	1,466
Provision for Cyclical Maintenance	15	11,125	11,100	6,000
Finance Lease Liability - Current Portion	16	12,169	12,000	7,032
Funds held for Capital Works Projects	17	-	-	16,455
Funds for COL services	18	75,443	72,911	26,276
		<u>223,993</u>	<u>223,011</u>	<u>183,401</u>
Working Capital Surplus/(Deficit)		233,751	316,749	332,937
Non-current Assets				
Property, Plant and Equipment	11	698,906	658,000	636,102
Intangible Assets	12	8,485	10,000	17,563
		<u>707,391</u>	<u>668,000</u>	<u>653,665</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	13,375	13,000	12,000
Finance Lease Liability	16	9,180	9,000	11,753
		<u>22,555</u>	<u>22,000</u>	<u>23,753</u>
Net Assets		<u>918,587</u>	<u>962,749</u>	<u>962,849</u>
Equity		<u>918,587</u>	<u>962,749</u>	<u>962,849</u>

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



TE KOWHAI SCHOOL
Statement of Cash Flows
For the year ended 31 December 2017

	Note	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash flows from Operating Activities				
Government Grants		548,208	618,375	509,834
Locally Raised Funds		273,603	61,200	378,964
Goods and Services Tax (net)		(7,563)	-	1,108
Payments to Employees		(236,473)	(204,750)	(216,677)
Payments to Suppliers		(414,182)	(213,950)	(534,966)
Interest Paid		(1,934)	(1,000)	(872)
Interest Received		9,154	5,700	6,612
Net cash from / (to) the Operating Activities		170,813	265,575	144,003
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	-	-
Purchase of PPE (and Intangibles)		(167,231)	(80,000)	(88,231)
Net cash from / (to) the Investing Activities		(167,231)	(80,000)	(88,231)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	10,474
Finance Lease Payments		(3,559)	(29,000)	(3,276)
Funds Administered on Behalf of Third Parties		49,167	(18,089)	42,731
Funds Held for Capital Works Projects		(16,455)	(16,000)	-
Net cash from Financing Activities		29,153	(63,089)	49,929
Net increase/(decrease) in cash and cash equivalents		32,735	122,486	105,701
Cash and cash equivalents at the beginning of the year	8	300,671	195,074	194,969
Cash and cash equivalents at the end of the year	8	333,406	317,560	300,670

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.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.



TE KOWHAI SCHOOL

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

Te Kowhai 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.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are 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 Crown.

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.

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 Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

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 stationery and 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) Investments

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements under Schedule 6 Section 28 of the Education Act 1989 in relation to the acquisition of investment securities.

k) Property, Plant and Equipment

Land and buildings owned by the Crown 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 Crown 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:

Building improvements to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value

l) 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. It's 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.

m) 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.

n) 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.

o) 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.



p) Revenue Received in Advance

Revenue received in advance relates to 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.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

q) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings 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 provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

r) Financial Assets and Liabilities

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

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

s) Borrowings

Borrowings are recognised at the amount borrowed. Borrowings are classified as current liabilities unless the School has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

t) 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.

u) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

v) 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 Budget (Unaudited)	2016
	Actual \$	\$	Actual \$
Operational grants	443,464	425,000	463,481
Teachers' salaries grants	1,659,061	1,600,000	1,510,209
Use of Land and Buildings grants	526,048	500,000	457,558
Other MoE Grants	33,616	14,000	114,299
Other government grants	-	-	4,943
	2,662,189	2,539,000	2,550,490

3. Locally Raised Funds

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

	2017	2017 Budget (Unaudited)	2016
	Actual \$	\$	Actual \$
Revenue			
Donations	38,493	32,000	53,595
Fundraising	32,038	32,800	42,802
Other revenue	8,000	6,000	-
Trading	19,370	19,000	32,882
Activities	160,531	146,500	243,633
	258,432	236,300	372,912
Expenses			
Activities	49,307	70,600	106,223
Trading	24,160	30,000	34,176
Fundraising (costs of raising funds)	20,035	19,000	8,098
	93,502	119,600	148,497
<i>Surplus for the year Locally raised funds</i>	164,930	116,700	224,415

4. Learning Resources

	2017	2017 Budget (Unaudited)	2016
	Actual \$	\$	Actual \$
Curricular	85,033	59,650	91,468
Equipment repairs	2,825	-	599
Extra-curricular activities	61,718	60,000	70,512
Library resources	-	-	1,892
Employee benefits - salaries	1,757,318	1,685,000	1,614,576
Staff development	17,483	24,500	35,507
	1,924,377	1,829,150	1,814,554

5. Administration

	2017	2017 Budget (Unaudited)	2016
	Actual \$	\$	Actual \$
Audit Fee	3,600	3,500	3,500
Board of Trustees Fees	3,845	3,500	2,945
Board of Trustees Expenses	7,964	4,500	4,560
Communication	4,496	4,000	4,062
Consumables	15,175	16,500	12,796
Other	14,789	9,600	13,509
Employee Benefits - Salaries	71,969	62,750	55,440
Insurance	4,469	1,500	3,095
Service Providers, Contractors and Consultancy	8,348	6,000	8,259
	134,655	111,850	108,166



6. Property

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	29,832	25,000	9,067
Cyclical Maintenance Expense	10,510	5,800	6,000
Grounds	22,898	29,000	65,215
Heat, Light and Water	29,021	28,000	45,851
Repairs and Maintenance	3,490	5,500	8,845
Use of Land and Buildings	526,048	500,000	457,558
Security	7,608	5,000	6,697
Employee Benefits - Salaries	66,149	56,000	54,735
	695,556	654,300	653,968

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Depreciation

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Buildings	6,081	3,225	6,599
Furniture and Equipment	79,675	42,225	68,138
Information and Communication Technology	19,276	10,215	14,993
Leased Assets	8,806	4,665	3,628
Library Resources	1,620	860	1,625
	115,458	61,190	94,983

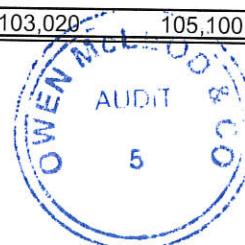
8. Cash and Cash Equivalents

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Cash on Hand	65	60	-
Bank Current Account	13,509	13,000	75,895
Bank Call Account	4,831	4,500	4,775
Short-term Bank Deposits	315,000	398,100	220,000
Cash equivalents and bank overdraft for Cash Flow Statement	333,405	415,660	300,670

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

9. Accounts Receivable

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	629	600	6,420
Receivables from the Ministry of Education	3,298	3,000	79,805
Interest Receivable	1,658	1,500	758
Teacher Salaries Grant Receivable	97,435	100,000	94,288
	103,020	105,100	181,271
Receivables from Exchange Transactions	2,286	2,100	7,178
Receivables from Non-Exchange Transactions	100,734	103,000	174,093
	103,020	105,100	181,271



10. Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Stationery	313	500	1,474
New World	2,529	2,500	26,400
	<u>2,842</u>	<u>3,000</u>	<u>27,874</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2017						
Buildings	89,703				(6,081)	83,622
Furniture and Equipment	474,533	135,673			(79,674)	530,532
Information and Communication	42,060	29,592			(19,277)	52,375
Leased Assets	18,434	11,408			(8,806)	21,036
Library Resources	11,372	1,966	(377)		(1,620)	11,341
Balance at 31 December 2017	<u>636,102</u>	<u>178,639</u>	<u>(377)</u>	<u>-</u>	<u>(115,458)</u>	<u>698,906</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2017			
Buildings	160,989	(77,367)	83,622
Furniture and Equipment	894,585	(364,053)	530,532
Information and Communication	118,447	(66,072)	52,375
Leased Assets	33,470	(12,434)	21,036
Library Resources	56,580	(45,239)	11,341
Balance at 31 December 2017	<u>1,264,071</u>	<u>(565,165)</u>	<u>698,906</u>

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2016						
Buildings	96,302				(6,599)	89,703
Furniture and Equipment	482,901	59,770			(68,138)	474,533
Information and Communication	30,265	26,788			(14,993)	42,060
Leased Assets		22,062			(3,628)	18,434
Library Resources	11,663	1,673	(339)		(1,625)	11,372
Balance at 31 December 2016	<u>621,131</u>	<u>110,293</u>	<u>(339)</u>	<u>-</u>	<u>(94,983)</u>	<u>636,102</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2016			
Buildings	173,747	(84,044)	89,703
Furniture and Equipment	767,844	(293,311)	474,533
Information and Communication Technology	102,863	(60,803)	42,060
Leased Assets	39,796	(21,362)	18,434
Library Resources	56,490	(45,118)	11,372
Balance at 31 December 2016	<u>1,140,740</u>	<u>(504,638)</u>	<u>636,102</u>



12. Intangible Assets

The School's Intangible Assets are made up of acquired computer software.

2017	Opening \$	Additions \$	Disposals \$	Impairment \$	Closing \$
Cost					
Intangible Assets (Cost)	62,067	-	-	-	62,067
Balance at 31 December 2017	62,067	-	-	-	62,067
Accumulated Amortisation					
Intangible Assets (Amortisation for the year)	44,504	9,078	-	-	53,582
Balance at 31 December 2017	44,504	9,078	-	-	53,582
Net Book Value at 31 December 2017					8,485

2016	Opening \$	Additions \$	Disposals \$	Impairment \$	Closing \$
Cost					
Intangible Assets	62,067	-	-	-	62,067
Balance at 31 December 2016	62,067	-	-	-	62,067
Accumulated Amortisation					
Intangible Assets (Amortisation for the year)	32,075	12,429	-	-	44,504
Balance at 31 December 2016	32,075	12,429	-	-	44,504
Net Book Value at 31 December 2016					17,563

13. Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	2,978	3,000	17,904
Accruals	7,015	7,000	6,900
Employee Entitlements - salaries	97,435	100,000	94,288
Employee Entitlements - leave accrual	6,982	6,000	7,080
	114,410	116,000	126,172
Payables for Exchange Transactions	114,410	116,000	126,172
	114,410	116,000	126,172

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Other	10,846	11,000	1,466
	10,846	11,000	1,466



15. Provision for Cyclical Maintenance

	2017	2017 Budget (Unaudited)	2016
	Actual \$	\$	Actual \$
Provision at the Start of the Year	18,000	18,000	12,000
Increase to the Provision During the Year	6,500	5,800	6,000
Provision at the End of the Year	24,500	23,800	18,000
Cyclical Maintenance - Current	11,125	-	6,000
Cyclical Maintenance - Term	13,375	20,000	12,000
	24,500	20,000	18,000

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	2017 Budget (Unaudited)	2016
	Actual \$	\$	Actual \$
No Later than One Year	12,169	12,000	7,032
Later than One Year and no Later than Five Years	9,179	9,000	11,753
Later than Five Years			-
	21,348	21,000	18,785

17. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (to Asset)	Closing Balances \$
5YA Projects	<i>completed</i>	1,153			(1,153)	-
Block A,B,T,U Roof	<i>completed</i>	15,302	225,444	(267,823)	(27,077)	-
Totals		16,455	225,444	(267,823)	(28,230)	-

Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

	2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
5YA Projects	<i>in progress</i>		12,408	(11,255)	-	1,153
Block A,B,T,U Roof	<i>in progress</i>		29,557	(14,255)	-	15,302
Totals		-	41,965	(25,510)	-	16,455



18. Funds for COL Services

Te Kowhai School is the lead school funded by the Ministry of Education to provide the services of Community of Learning to its cluster of schools.

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Funds held at beginning of the year	26,276		-
<i>Revenue</i>			
Leader Allowance	20,374	46,000	420
School Allowance	48,463	43,911	16,000
External Funding	4,225	5,000	14,000
Trave Grant	38,165	40,000	2,460
	111,227	134,911	32,880
Total funds available	137,503	134,911	32,880
<i>Expenses</i>			
Professional Development	39,052	40,000	3,992
General	8,371	8,000	68
Administration	8,229	8,000	241
Travel	6,408	6,000	2,303
	62,060	62,000	6,604
Funds Held at Year End	75,443	72,911	26,276

Member Schools are Aberdeen, Crawshaw, Forest Lake, Frankton, Fraser High School, Maeroa Intermediate, Nawton, Rhode Street, Te Kowhai (Lead School), Vardon, Whatawhata and Whitiara.

19. 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.



20. 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	3,845	2,945
Full-time equivalent members	0.18	0.11
<i>Leadership Team</i>		
Remuneration	570,949	523,072
Full-time equivalent members	5	5
Total key management personnel remuneration	574,794	526,017
Total full-time equivalent personnel	5.18	5.11

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	160-170	140-150
Benefits and Other Emoluments	3-4	3-4
Termination Benefits	-	-

Other Employees

The number of other employees with remuneration greater than \$100,000 was in the following bands:

Remuneration \$000	2017 FTE Number	2016 FTE Number
	2.00	1.00
	2.00	1.00

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

21. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2017 Actual	2016 Actual
Total	-	-
Number of People	-	-

22. Contingencies

There are no contingent liabilities and no contingent assets as at **31 December 2017** (Contingent liabilities and assets at **31 December 2016**: nil).



23. Commitments

(a) Capital Commitments

As at 31 December 2017 the Board has no capital commitments

As at 31 December 2016 the Board has entered into contract agreements for capital works as follows:

- (a) 5 YA projects, which will be fully funded by the Ministry of Education. \$12,408 has been received of which \$11,255 has been spent on the project to date; and
(b) the roof upgrade for Block A,B,T,U as agent for the Ministry of Education. This project is fully funded by the Ministry and \$29,557 has been received of which \$14,255 has been spent on the project to balance date. This project has been approved by the Ministry.

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

- (a) operating lease of a photocopier;

	2017 Actual \$	2016 Actual \$
No later than One Year	4,841	7,070
Later than One Year and No Later than Five Years	-	4,841
Later than Five Years		
	<u>4,841</u>	<u>11,911</u>

24. 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.

25. Financial Instruments

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

Cash and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	333,405	415,660	300,670
Receivables	103,020	105,100	181,271
Total Cash and Receivables	<u>436,425</u>	<u>520,760</u>	<u>481,941</u>

Financial liabilities measured at amortised cost

Payables	114,410	116,000	126,172
Finance Leases	21,349	21,000	18,785
Total Financial Liabilities Measured at Amortised Cost	<u>135,758</u>	<u>137,000</u>	<u>144,957</u>

26. Events After Balance Date

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

27. Breach of Law – failure to meet Statutory Reporting Deadline

The Board of Trustees did not comply with Section 87A(1) of the Education Act 1989 in that it did not submit its annual financial statements for audit by 31 March 2018.



School Name: TE KOWHAI SCHOOL

Members of the Board of Trustees

For the year 1 January to 31 December 2017

Member Name	Position	How position on Board gained (e.g. Elected/Co-opted)	Occupation	Term expired/expires
Richard Spelman	Chairperson	Elected	General Manager	Jun-19
Tony Grey	Principal	Appointed	School Principal	
Amanda Rodley	Treasurer	Elected	Homemaker	Jun-19
Rochelle Moorfield	Staff Rep	Elected	Teacher	Jun-19
Carmen Jones	Member	Elected	IT Consultant	Jun-19
Renae Smart	Member	Elected	General Manager	Jun-19
Steve Elmiger	Member	Elected	Construction Coordinator	Jun-19
Juliet Dickinson	Minutes Secretary	Appointed	School Deputy Principal	
Brent Cutler	Member	Elected	Underwrite	Jun-19
Sheree Williamson	Member	Elected	Nurse	May-17

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2017, the school received total Kiwisport funding of **\$4,577** (excluding GST). The funding was spent on sporting endeavours. (2016:\$4,471 exluding GST).

Analysis of Variance 2017

Achievement Target #1 : Focus students in Writing

NB: the achievement target moved to writing to align with He Waka Eke Noa achievement challenge

Link to Annual Plan:

1. To maintain high levels of schoolwide achievement in literacy and numeracy.
2. To develop expectations of school wide standards that reflects the high level of student achievement, which have been derived from National Standards.

Historical Position (end of 2016) * National Standard Overall Teacher Judgements	2017 Target			
WRITING - All Students --- 75.6% Boys --- 68.5% Girls --- 82.8% Maori --- 63.9%	Goal: to move at least 50% of students "below National Standard" (end of 2016) to "at standard" by end of 2017, in Writing.			
	Focus Area	Year Group	Gender	Ethnicity
	Writing	All	All Sub focus Boys	All Sub focus Maori

Outcome	Analysis
Target Achieved	<p>Of 81 target students identified as below National Standard (or at risk) in writing at the end of 2016/start of 2017, 46 students were now assessed as being "at standard" at the end of 2017.</p> <p>This represents 57% of the cohort group.</p> <p>Analysis of the full school data indicates the following levels of achievement by groups of students:</p> <p style="text-align: center;">Writing: All Students --- 85.3% Maori --- 83% Boys --- 79.1% Girls --- 91.3%</p> <p>This is a 9.7% upward shift against last year's overall Writing data as a whole, and a large shift of 10.6% for boys, and huge shift of close to 20% for Maori</p>

SCHOOL STRENGTHS

- 85.3% of students at Te Kowhai School are progressing and achieving in line with the National Standards in writing. This is an increase of 9.7%. Writing is now the core curriculum area we are achieving the best in.
- 83% of Maori students are achieving at/above National Standard. This is a significant improvement on 2016 data (19.1% increase). We have clearly tracked and monitored the progress of all Maori students throughout the year.
- Girls achievement overall is stronger with 91.3% at/above (boys 79.1%). This is a 12.2% difference. This gap between gender has been ever so slightly decreased in 2017.
- 86% of our non-Maori students are achieving at or above standard. Maori student achievement is at 83% meaning a 3% difference.
- For our Year 3-8 Maori students, asTTle Writing progress results showed that they were sitting consistently above the national norm. There were improved results across the year levels for all 'Curriculum Functions' in asTTle.
- There were significant improvements for all students from the Term 1 to Term 3 asTTle Writing Sample.
- Male and female achievement in Writing has seen similar significant improvements across all year levels.
- Boys in particular show significant improvements in the Curriculum Functions within asTTle Writing.
- Within all cohorts, there was a positive response to the 'Interest' and 'Attitude' aspects of the asTTle self reflection.
- In 2017 a new process to monitor and track progress of at risk learners was implemented for both Maori learners and non-Maori learners. This enabled staff to inquire into their practice to lift student achievement. Robust discussions were held at a team level and collaborative inquiries were carried out throughout the year. Regular checkpoints were embedded throughout the year to ensure progress was monitored regularly. A 'traffic light' system also allowed for us to assess the rate of acceleration.
- Learning Assistant support (In-Class Support) was implemented to work with target students. This is a within-school referral system.
- RTLB and RTLit were engaged with for specific target learners (including groups of students).
- In response to our Year 2 cohort learning needs, a Board funded Learning Assistant was allocated to support the teachers.
- Continued use of learning progressions across the school.

- The Fountas and Pinnell programme's focus on Writing has had an impact on target student results

AREAS FOR IMPROVEMENT; & THE BASIS FOR IDENTIFYING AREAS FOR IMPROVEMENT

- Closing the gap between boys' and girls' achievement. There is a 12% variance with boys not performing as well as girls.
- Maori students' writing showed some improvements during the year. Spelling though is an area of need for them.
- Spelling is still one area that shows less growth across all year levels, genders and ethnicity.
- We need a consistent pedagogical approach to literacy practices across the school. Currently consistent within teams, but not between teams.
- Our moderation processes aren't potentially as robust as they could be.
- The development of a conceptual curriculum to encourage increased engagement/motivation
- Streamline the way in which our students engage with their learning progressions and also how they track and monitor their own progress.
- The use of Linc-Ed to share writing and goals with whaanau.
- Ensure we sustain a high level of teaching practice across the school.

PLANNED ACTIONS FOR LIFTING ACHIEVEMENT.

- To continue to track and monitor all identified priority learners – specifically Maori, in order to sustain the current momentum.
- To explore the multiple spelling programmes/systems/strategies used across the school and devise a cohesive approach.
- To use Linc-Ed more effectively to improve our tracking and monitoring processes for target students
- To continue to use Spirals of Inquiry to explore teaching and learning practices across the curriculum (but including writing). This will be coupled with regular discussions with Learning Communities and staff across the school.
- To grow collective teacher efficacy by allowing opportunities for all staff to work with others across the school rather than just in their teams.
- To provide opportunities for teachers to share writing practices with all staff in order to share expertise and what is working well. This includes carrying out observations in each others classes.
- To review and refine our moderation processes to ensure that there is consistency across the school and with other schools within our Community of Learning.
- In the process of designing our conceptual curriculum, students will engage in deep, meaningful learning and and therefore will engage in regular, purposeful writing.
- Student logins with Linc-Ed will be provided for all Year 3-8 students so that they have access to and more ownership of their learning goals and next steps.
- Continued use of Learning Assistants and support from RT:Lit and RTLB as necessary to address specific learning needs.
- Leaders of Learning to have an increased presence by coaching and mentoring within the classes.
- To utilise our Across School CoL leaders and Within School Leaders to support and grow effective writing practices across the school.
- To utilise the professional development opportunities provided by He Waka Eke Noa Kahui Ako and the expertise of all the schools within.