

WAINUI SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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WAINUI SCHOOL

Financial Statements – For the year ended 31 December 2017

Index

Page	Statement
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expenses
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 – 10	Statement of Accounting Policies
11 – 18	Notes to the Financial Statements
19 – 21	Independent auditor's Report
	Board of Trustees
	Analysis of Variance
	Kiwisports Report

Wainui 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.

DREW GILPIN

Full Name of Board Chairperson



Signature of Board Chairperson

31/5/18

Date:

GILLIAN BRAY

Full Name of Principal



Signature of Principal

31/5/18

Date:

Wainui School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2017

		2017	2017	2016
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	1,950,181	1,564,153	1,749,126
Locally Raised Funds	3	216,147	110,000	184,633
Interest Earned		2,273	4,000	4,352
Gain on Sale of Property, Plant and Equipment		-	-	2,714
International Students	4	17,013	22,230	9,865
		<u>2,185,614</u>	<u>1,700,383</u>	<u>1,950,690</u>
Expenses				
Locally Raised Funds	3	97,046	10,900	76,234
International Students	4	2,768	-	1,147
Learning Resources	5	1,398,488	1,110,869	1,301,161
Administration	6	134,397	138,136	150,283
Finance Costs		875	-	184
Property	7	482,084	371,219	416,415
Depreciation	8	78,955	65,548	69,930
Loss on Disposal of Property, Plant and Equipment		-	-	1,924
		<u>2,194,613</u>	<u>1,696,672</u>	<u>2,017,278</u>
Net Surplus / (Deficit)		(8,999)	3,711	(66,588)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(8,999)</u>	<u>3,711</u>	<u>(66,588)</u>

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

Wainui 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	740,540	740,540	807,128
Total comprehensive revenue and expense for the year	(8,999)	3,711	(66,588)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	8,476	-	-
Equity at 31 December	740,017	744,251	740,540
Retained Earnings	740,017	744,251	740,540
Equity at 31 December	740,017	744,251	740,540

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

Wainui School
Statement of Financial Position
As at 31 December 2017

		2017	2017	2016
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	9	185,278	109,867	162,234
Accounts Receivable	10	77,844	98,738	47,280
GST Receivable		-	8,062	11,008
Prepayments		9,920	1,820	1,073
Inventories	11	2,174	4,571	2,997
		<u>275,216</u>	<u>223,058</u>	<u>224,592</u>
Current Liabilities				
GST Payable		4,498	-	-
Accounts Payable	13	125,518	146,413	134,040
Revenue Received in Advance	14	348	10,496	-
Provision for Cyclical Maintenance	15	38,085	-	50,657
Finance Lease Liability - Current Portion	16	8,004	-	1,202
Funds held for Capital Works Projects	17	49,800	-	4,069
		<u>226,253</u>	<u>156,909</u>	<u>189,968</u>
Working Capital Surplus/(Deficit)		48,963	66,149	34,624
Non-current Assets				
Property, Plant and Equipment	12	742,686	734,433	757,282
		<u>742,686</u>	<u>734,433</u>	<u>757,282</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	38,976	56,331	49,526
Finance Lease Liability	16	12,656	-	1,840
		<u>51,632</u>	<u>56,331</u>	<u>51,366</u>
Net Assets		<u>740,017</u>	<u>744,251</u>	<u>740,540</u>
Equity		<u>740,017</u>	<u>744,251</u>	<u>740,540</u>

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

Wainui School
Statement of Cash Flows
For the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		409,955	350,188	363,849
Locally Raised Funds		213,917	110,000	174,727
International Students		17,013	22,230	9,865
Goods and Services Tax (net)		15,506	-	(2,946)
Payments to Employees		(247,274)	(193,103)	(237,827)
Payments to Suppliers		(304,341)	(272,546)	(269,325)
Cyclical Maintenance Payments in the year		(48,750)	-	-
Interest Paid		(875)	-	(184)
Interest Received		2,305	4,000	4,298
Net cash from / (to) the Operating Activities		57,456	20,769	42,457
Cash flows from Investing Activities				
Proceeds from Sale of PPE		-	-	3,772
Purchase of PPE		(78,713)	(60,500)	(46,508)
Proceeds from Sale of Investments		-	-	35,000
Net cash from / (to) the Investing Activities		(78,713)	(60,500)	(7,736)
Cash flows from Financing Activities				
Furniture and Equipment Grant		8,476	-	-
Finance Lease Payments		(2,133)	-	(508)
Funds Held for Capital Works Projects		37,958	-	(145)
Net cash from Financing Activities		44,301	-	(653)
Net increase/(decrease) in cash and cash equivalents		23,044	(39,731)	34,068
Cash and cash equivalents at the beginning of the year	9	162,234	149,598	128,166
Cash and cash equivalents at the end of the year	9	185,278	109,867	162,234

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.

Wainui School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

Wainui School (the 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 12.

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 carry forward 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.

The School has met the requirements under section 28 of schedule 6 of the Education Act 1989 in relation to the acquisition of 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.

Land and buildings owned by the Proprietor are excluded from these financial statements. The Board's use of the land and 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 \$500 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 are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Buildings	33 years
Building Improvements	15-33 years
Furniture and Equipment	5-18 years
Information and Communication	3-5 years
Textbooks	5 years
Library Resources	8 years

Leased assets are depreciated over the life of the lease.

1) Impairment of property, plant

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 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.

m) 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.

n) 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.

o) Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received 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.

p) 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).

q) 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.

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.

r) 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.

s) Budget Figures

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

t) 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 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational grants	355,497	327,440	328,361
Teachers' salaries grants	1,187,434	944,068	1,099,967
Use of Land and Buildings grants	347,672	269,897	280,069
Resource teachers learning and behaviour grants	1,655	-	-
Other MoE Grants	57,923	22,748	40,729
	1,950,181	1,564,153	1,749,126

3. Locally Raised Funds

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
Donations	52,341	60,000	59,994
Fundraising	47,277	22,000	45,718
Other revenue	14,310	15,600	11,070
Trading	21,022	12,000	15,060
Activities	81,197	400	52,791
	216,147	110,000	184,633
Expenses			
Activities	66,648	-	51,880
Trading	17,035	9,000	14,126
Fundraising (costs of raising funds)	7,062	-	8,628
Other Locally Raised Funds Expenditure	6,301	1,900	1,600
	97,046	10,900	76,234
Surplus for the year Locally raised funds	119,101	99,100	108,399

4. International Student Revenue and Expenses

	2017 Actual Number	2017 Budget (Unaudited) Number	2016 Actual Number
International Student Roll	8	4	3
	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
International student fees	17,013	22,230	9,865
Expenses			
Commissions	1,667	-	-
International student levy	1,101	-	1,147
	2,768	-	1,147
Surplus for the year International Students'	14,245	22,230	8,718

5. Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	52,747	50,943	44,795
Library resources	1,591	800	698
Employee benefits - salaries	1,309,485	1,026,626	1,217,894
Staff development	27,718	26,500	28,254
Minor Equipment & R&M	6,947	6,000	9,520
	<u>1,398,488</u>	<u>1,110,869</u>	<u>1,301,161</u>

6. Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,930	5,930	5,842
Board of Trustees Fees	3,850	4,050	3,710
Board of Trustees Expenses	5,298	5,850	9,960
Communication	5,688	7,450	3,131
Consumables	12,118	10,900	11,800
Operating Lease	19,550	15,892	25,853
Other	6,158	7,870	8,230
Employee Benefits - Salaries	65,431	62,494	59,729
Insurance	258	7,500	12,008
Service Providers, Contractors and Consultancy	10,116	10,200	10,020
	<u>134,397</u>	<u>138,136</u>	<u>150,283</u>

7. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	18,426	14,350	17,201
Cyclical Maintenance Expense	25,628	10,020	43,954
Grounds	4,387	6,150	3,719
Heat, Light and Water	11,176	9,900	11,771
Repairs and Maintenance	8,680	11,261	6,726
Use of Land and Buildings	347,672	269,897	280,069
Security	1,326	1,590	1,469
Employee Benefits - Salaries	64,789	48,051	51,506
	<u>482,084</u>	<u>371,219</u>	<u>416,415</u>

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.

8. Depreciation

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	21,618	20,263	21,618
Building Improvements	1,789	294	314
Furniture and Equipment	22,136	20,559	21,933
Information & Communication Technology	27,466	21,810	23,268
Leased Assets	4,705	750	800
Library Resources	1,241	1,872	1,997
	<u>78,955</u>	<u>65,548</u>	<u>69,930</u>

9. Cash and Cash Equivalents

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Bank Current Account	114,280	109,867	35,749
Bank Call Account	70,998	-	126,485
Cash equivalents and bank overdraft for Cash Flow Statement	<u>185,278</u>	<u>109,867</u>	<u>162,234</u>

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

Of the \$185,278 Cash and Cash Equivalents, \$66,915 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2018 on Crown owned school buildings under the School's Five Year Property Plan.

10. Accounts Receivable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Receivables	818	675	-
Receivables from the Ministry of Education	-	11,317	2,613
Interest Receivable	22	173	54
Teacher Salaries Grant Receivable	77,004	86,573	44,613
	<u>77,844</u>	<u>98,738</u>	<u>47,280</u>
Receivables from Exchange Transactions	840	848	54
Receivables from Non-Exchange Transactions	77,004	97,890	47,226
	<u>77,844</u>	<u>98,738</u>	<u>47,280</u>

11. Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Stationery	173	547	225
Uniforms	2,001	4,024	2,772
	<u>2,174</u>	<u>4,571</u>	<u>2,997</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Buildings	492,144	-	-	-	(21,618)	470,526
Building Improvements	28,654	1,058	-	-	(1,789)	27,923
Furniture and Equipment	164,089	26,573	-	-	(22,136)	168,526
Information & Communication Technology	66,491	13,755	-	-	(27,466)	52,780
Leased Assets	2,935	22,929	-	-	(4,705)	21,159
Library Resources	2,969	44	-	-	(1,241)	1,772
Balance at 31 December 2017	757,282	64,359	-	-	(78,955)	742,686

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Buildings	720,614	(250,088)	470,526
Building Improvements	30,697	(2,774)	27,923
Furniture and Equipment	542,691	(374,165)	168,526
Information & Communication Technology	195,163	(142,383)	52,780
Textbooks	836	(836)	-
Leased Assets	81,600	(60,441)	21,159
Library Resources	59,970	(58,198)	1,772
Balance at 31 December 2017	1,631,571	(888,885)	742,686

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Buildings	513,762	-	-	-	(21,618)	492,144
Building Improvements	5,675	23,293	-	-	(314)	28,654
Furniture and Equipment	144,373	43,206	(1,557)	-	(21,933)	164,089
Information & Communication Technology	76,555	14,629	(1,425)	-	(23,268)	66,491
Leased Assets	-	3,735	-	-	(800)	2,935
Library Resources	4,966	-	-	-	(1,997)	2,969
Balance at 31 December 2016	745,331	84,863	(2,982)	-	(69,930)	757,282

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Buildings	720,613	(228,469)	492,144
Building Improvements	29,640	(986)	28,654
Furniture and Equipment	516,118	(352,029)	164,089
Information & Communication Technology	181,408	(114,917)	66,491
Textbooks	836	(836)	-
Leased Assets	58,671	(55,736)	2,935
Library Resources	59,927	(56,958)	2,969
Balance at 31 December 2016	1,567,213	(809,931)	757,282

13. Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	32,831	44,943	33,597
Accruals	4,448	-	3,942
Capital accruals for PPE items	-	-	43,036
Employee Entitlements - salaries	77,004	86,573	44,613
Employee Entitlements - leave accrual	11,235	14,897	8,852
	<u>125,518</u>	<u>146,413</u>	<u>134,040</u>

Payables for Exchange Transactions	125,518	146,413	134,040
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>125,518</u>	<u>146,413</u>	<u>134,040</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Income Received in Advance	348	10,496	-
	<u>348</u>	<u>10,496</u>	<u>-</u>

15. Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	100,183	102,642	56,229
Increase to the Provision During the Year	25,628	10,020	43,954
Use of the Provision During the Year	(48,750)	(56,331)	-
Provision at the End of the Year	<u>77,061</u>	<u>56,331</u>	<u>100,183</u>
Cyclical Maintenance - Current	38,085	-	50,657
Cyclical Maintenance - Term	38,976	56,331	49,526
	<u>77,061</u>	<u>56,331</u>	<u>100,183</u>

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 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	8,004	-	1,202
Later than One Year and no Later than Five Years	12,656	-	1,840
	<u>20,660</u>	<u>-</u>	<u>3,042</u>

17. Funds Held (Owed) 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/ (Write-off to R&M)	Closing Balances \$
Modernisation Project	<i>in progress</i>		7,033	-	19,475	-	(12,442)
Septic Tank Upgrade	<i>in progress</i>		(2,964)	45,565	44,047	-	(1,446)
Security Alarm	<i>in progress</i>		-	4,037	5,685	-	(1,648)
Demolition Block D	<i>in progress</i>		-	38,126	39,705	-	(1,579)
New Unisex Toilet	<i>in progress</i>		-	75,085	8,170	-	66,915
Totals			4,069	162,813	117,082	-	49,800

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Due from the Ministry of Education

66,915
(17,115)

49,800

		2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Administration Upgrade	<i>completed</i>		(3,857)	-	(3,857)	-	-
Heat Pumps	<i>completed</i>		(9,950)	-	(9,950)	-	-
Modernisation Project	<i>in progress</i>		15,229	392,191	400,387	-	7,033
Septic Tank Upgrade	<i>in progress</i>		-	-	2,904	-	(2,964)
Totals			1,422	392,191	389,544	-	4,069

18. 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.

19. 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	3,850	3,710
Full-time equivalent members	0.30	0.09
<i>Leadership Team</i>		
Remuneration	647,707	375,491
Full-time equivalent members	6.89	4.00
Total key management personnel remuneration	651,557	379,201
Total full-time equivalent personnel	7.19	4.09

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	120 - 130	120 - 130
Benefits and Other Emoluments	15 - 16	13 - 14
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
100 - 110	-	-
	0.00	0.00

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

20. 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	-	-

21. Contingencies

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

22. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2017 (Capital commitments at 31 December 2016: nil).

(b) Operating Commitments

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

(a) operating lease of laptops;

	2017 Actual \$	2016 Actual \$
No later than One Year	245	3,058
Later than One Year and No Later than Five Years	-	245
Later than Five Years	-	-
	<u>245</u>	<u>3,303</u>

23. 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.

24. Financial Instruments

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

Loans and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	185,278	109,867	162,234
Receivables	77,844	98,738	47,280
Total Loans and Receivables	<u>263,122</u>	<u>208,605</u>	<u>209,514</u>

Financial liabilities measured at amortised cost

Payables	125,518	146,413	134,040
Finance Leases	20,660	-	3,042
Total Financial Liabilities Measured at Amortised Cost	<u>146,178</u>	<u>146,413</u>	<u>137,082</u>

25. Events After Balance Date

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

26. Comparative Figures

Some comparative figures have been restated to ensure compliance with the Ministry of Education's Kiwi Park School model financial statements. Compliance with the model is compulsory. This change does not materially alter the financial statements.

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF WAINUI SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Auditor-General is the auditor of Wainui School (the School). The Auditor-General has appointed me, Blair Stanley, using the staff and resources of BDO Auckland, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18, that comprise the statement of financial position as at 31 December 2017, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2017; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 31 May 2018. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

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

Responsibilities of the Board of Trustees for the financial statements

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, 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.
- We 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.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees 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 statements 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.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees 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.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Board of Trustees listing, Kiwi Sport Report and Analysis of Variance, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Blair Stanley
BDO Auckland
On behalf of the Auditor-General
Auckland, New Zealand

Wainui School

Members of the Board of Trustees 2017

Name	Position Held	opted	Term Expires
Brent Robinson	Chairperson	Elected	June 2019
Jason Irvine	Staff Representative	Elected	June 2019
Drew Gilpin	Trustee - Communication	Elected	June 2019
Tracey Woodcock	Trustee - Finance	Elected	June 2019
Nikki Browne	Trustee - Community	Elected	June 2019
Nadine Phillips	Trustee - Property	Elected	June 2019
Gillan Bray	Principal		

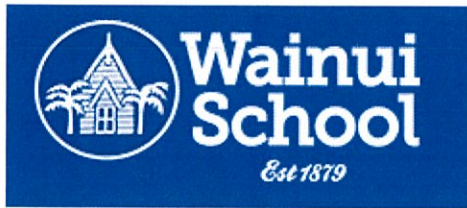
Analysis of Variance Reporting



School Name:	Wainui School	School Number:	1552
Strategic Aim:	Continuous academic improvement for all learners.		
Annual Aim:	To Increase the percentage of students achieving "At" or "Above" the National Standard in Writing to 80%.		
Target:	To raise the achievement levels of the 27% of students identified at the end of 2016 who were "Below" National Standard, to reach "At" the National Standard by the end of 2017. We would like 80% of Wainui School students to achieve "At" or "Above" the writing National Standard. This will also include all the students joining Wainui School in 2017. Therefore 27% could increase or decrease depending on the level of achievement of new students.		
Baseline Data:	73% of students are identified as "At" or "Above".	This is an increase of 1%	
	27% of students are identified as "Below".	This is a decrease of 1%.	

Priority given to timetabling core curriculum daily to include explicit teaching of writing, in accordance with the Gaye Byers model.	Yes, priority given to timetabling core curriculum daily achieved.	This ensured that a 41% shift of Priority Learner students who are now 'at' National Standards occurred.	This has become expected practice at Wainui School. Will continue in the future.
SMS - All Target student's progress tracked. Develop Teacher capability to use SMS. Improve SMS data gathering features for student progress in writing.	Proved difficult using Assembly (current SMS). Disparity with CoL data collection and Wainui data collection. Seamless gathering of data difficult.	Tracking of Priority Learners in the target tracked manually rather than using SMS.	Move to better tracking, monitoring, analysing and seamless transfer of data on Priority Learner students. Resource and budget for new SMS – eTAP \$4600
Developing A+ Quality Writing Standards for Wainui School (based on Gaye Byers model of best classroom practice). Moderation within teams, school-wide and across schools. Link to Orewa CoL with lead teachers.	Not achieved at school or CoL level.	N/A	Investigating the use of the PaCT tool. Is to become a focus goal for the CoL in 2018.
Class Profiles: All classes will be closely monitored by team leaders, DP and Principal ensuring identification of all PL's, hunches made, groupings, support and actions in place. Regular sharing at team, staff and management meetings to collaborate over goals and support.	Mandatory for every classroom teacher to keep up to date. Class Profile enabled manual tracking of all students, including Priority Learners.	At the beginning of year 100% of priority learner students were 'below' National Standards. End of year the tracking data has shown a 41% shift of students who are now 'at' National Standards.	Class Profiles to continue but to be updated to reflect current and future assessment and reporting requirements. Link to eTAP – digitalised.

Identified priority learners in Tiers 2 and 3 will be given targeted funded support with either teacher-aide and/or RTLB, and /or SENCO.	Teacher Aides supported all Priority Learners in Tiers 2 and 3 - \$25,000 RTLB resource used – 30 hours	This enabled 41% of Priority Learners to move from 'Below' to 'At'.	Continue to fund sustainable Teacher Aide support within the constraints of the Operational Budget.
Planning for next year:			
<p>To raise the achievement levels of the 24% of students identified as Priority Learners at the end of 2017. These will be our Priority Learners. These will be the key improvement strategies for our 2018 target in Writing:</p> <ol style="list-style-type: none"> 1. Continued Key Goal for the Orewa Schools CoL. 2. Self review of writing current practice. 3. Priority given to timetabling core curriculum daily to include explicit teaching of writing, in accordance with the agreed curriculum expectations. 4. eTAP- new system introduced. Develop Teacher capability to use eTAP - for data gathering, tracking student progress, 5. Developing quality writing models for Wainui School based on best classroom practice and aligned with the NZ Curriculum Learning Progressions. 6. Moderation within teams, school-wide and across schools. 7. Link to Orewa CoL with lead teachers. 8. Class Profiles: All classes will be closely monitored by team leaders, DP and Principal ensuring identification of all PL's, hunches made, groupings, support and actions in place. Regular sharing at team, staff and management meetings to collaborate over goals and support. 9. Identified Priority Learners in Tiers 2 and 3 will be given targeted funded support with teacher aide and/or RTLB, and/or SENCO. 			



KIWISPORTS FUNDING REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Kiwisports is a Government funding initiative to support students' participation in organised sports.

In 2017 the school received \$3,825.47 (excluding GST) in Kiwisport funds.

The school made a payment of \$6,500 to allow all students to partake in the Fooststeps dance programme.