

WAINUI SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number: 1552

Principal: Gillian Bray

School Address: 492 Waitoki Road, RD1, Silverdale

School Postal Address: 492 Waitoki Road, RD1, Silverdale, Auckland, 0944

School Phone: 09 420 5127

School Email: exo@wainui.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Drew Gilpin	Chairperson	Elected	May 2019
Gillian Bray	Principal	ex Officio	
Brent Robinson	Parent Rep	Elected	May 2019
Tracey Woodcock	Parent Rep	Elected	May 2019
Nikki Browne	Parent Rep	Elected	May 2019
Nadine Phillips	Parent Rep	Elected	May 2019
Jason Irvine	Staff Rep	Elected	May 2019

Accountant / Service Provider: Education Services Ltd

WAINUI SCHOOL

Annual Report - For the year ended 31 December 2018

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Wainui School

Statement of Responsibility

For the year ended 31 December 2018

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 2018 fairly reflects the financial position and operations of the school.

The School's 2018 financial statements are authorised for issue by the Board.

Drew James Gilpin
Full Name of Board Chairperson

[Signature]
Signature of Board Chairperson

31st MAY 2019
Date:

WILLIAN BRAY
Full Name of Principal

[Signature]
Signature of Principal

31st MAY 2019
Date:

Wainui School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	2,089,298	1,772,787	1,950,181
Locally Raised Funds	3	222,468	112,843	218,147
Interest Earned		2,145	2,500	2,273
International Students	4	12,518	14,394	17,013
		<u>2,326,427</u>	<u>1,902,524</u>	<u>2,185,614</u>
Expenses				
Locally Raised Funds	3	97,032	21,960	97,046
International Students	4	789	-	2,768
Learning Resources	5	1,472,420	1,256,656	1,394,078
Administration	6	123,768	128,161	134,397
Finance Costs		2,523	414	875
Property	7	509,011	409,427	486,494
Depreciation	8	92,417	76,800	78,955
Loss on Disposal of Property, Plant and Equipment		5,847	-	-
		<u>2,303,807</u>	<u>1,893,418</u>	<u>2,194,613</u>
Net Surplus / (Deficit)		22,620	9,106	(8,999)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>22,620</u>	<u>9,106</u>	<u>(8,999)</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 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	740,017	787,275	740,540
Total comprehensive revenue and expense for the year	22,620	9,106	(8,999)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	16,333	-	8,476
Contribution to Capital Works	(12,006)	-	-
Equity at 31 December	766,964	796,381	740,017
 Retained Earnings	 766,964	 796,381	 740,017
Equity at 31 December	766,964	796,381	740,017

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 2018

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	9	46,087	250,540	185,278
Accounts Receivable	10	95,408	47,280	77,844
GST Receivable		5,036	11,008	-
Prepayments		8,060	1,073	9,920
Inventories	11	2,876	2,997	2,174
Investments	12	83,610	-	-
		<u>241,077</u>	<u>312,898</u>	<u>275,216</u>
Current Liabilities				
GST Payable		-	-	4,498
Accounts Payable	14	118,744	134,040	125,518
Revenue Received in Advance	15	-	-	348
Provision for Cyclical Maintenance	16	38,320	50,657	38,085
Finance Lease Liability - Current Portion	17	11,028	86	8,004
Funds held for Capital Works Projects	18	552	-	49,800
		<u>168,644</u>	<u>184,783</u>	<u>226,253</u>
Working Capital Surplus/(Deficit)		<u>72,433</u>	<u>128,115</u>	<u>48,963</u>
Non-current Assets				
Property, Plant and Equipment	13	757,465	741,052	742,686
		<u>757,465</u>	<u>741,052</u>	<u>742,686</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	48,081	72,786	38,976
Finance Lease Liability	17	14,853	-	12,656
		<u>62,934</u>	<u>72,786</u>	<u>51,632</u>
Net Assets		<u>766,964</u>	<u>796,381</u>	<u>740,017</u>
Equity		<u>766,964</u>	<u>796,381</u>	<u>740,017</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 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		433,110	393,425	409,955
Locally Raised Funds		222,683	112,843	213,917
International Students		12,518	14,394	17,013
Goods and Services Tax (net)		(9,534)	-	15,506
Payments to Employees		(240,515)	(198,912)	(247,274)
Payments to Suppliers		(324,408)	(162,504)	(304,341)
Cyclical Maintenance Payments in the year		-	-	(48,750)
Interest Paid		(2,523)	(414)	(875)
Interest Received		1,975	2,500	2,305
Net cash from / (to) the Operating Activities		93,306	161,332	57,456
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(96,066)	(70,070)	(78,713)
Purchase of Investments		(83,610)	-	-
Net cash from / (to) the Investing Activities		(179,676)	(70,070)	(78,713)
Cash flows from Financing Activities				
Furniture and Equipment Grant		16,333	-	8,476
Owners Contributions		(12,006)	-	-
Finance Lease Payments		(6,923)	(2,956)	(2,133)
Funds Held for Capital Works Projects		(50,225)	-	37,958
Net cash from Financing Activities		(52,821)	(2,956)	44,301
Net increase/(decrease) in cash and cash equivalents		(139,191)	88,306	23,044
Cash and cash equivalents at the beginning of the year	9	185,278	162,234	162,234
Cash and cash equivalents at the end of the year	9	46,087	250,540	185,278

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

For the year ended 31 December 2018

1. Statement of Accounting Policies

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 2018 to 31 December 2018 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 13.



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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 17.

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.

The School has met the requirements of Schedule 6 para 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 \$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.

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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.

l) 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.

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.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

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) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

q) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

r) 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).

s) 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.

t) 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.

u) 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.

v) Budget Figures

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

w) 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.



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2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	377,331	360,927	355,497
Teachers' salaries grants	1,297,898	1,097,354	1,187,434
Use of Land and Buildings grants	355,642	280,069	347,672
Resource teachers learning and behaviour grants	150	-	1,655
Other MoE Grants	54,772	34,437	57,923
Other government grants	3,505	-	-
	2,089,298	1,772,787	1,950,181

3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
Donations	55,468	60,000	52,341
Bequests & Grants	22,000	-	9,578
Activities	107,218	5,243	81,197
Trading	9,799	20,000	21,022
Fundraising	13,941	12,000	37,699
Other Revenue	14,040	15,600	14,310
	222,466	112,843	216,147
Expenses			
Activities	86,255	-	86,648
Trading	9,732	16,760	17,035
Fundraising costs	-	-	7,062
Other Expenses	1,045	5,200	6,301
	97,032	21,960	97,046
Surplus for the year Locally raised funds	125,434	90,883	119,101

4. International Student Revenue and Expenses

	2018 Actual Number	2018 Budget (Unaudited) Number	2017 Actual Number
International Student Roll	5	5	8
	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
International student fees	12,518	14,394	17,013
Expenses			
Commissions	379	-	1,867
International student levy	364	-	1,101
Other Expenses	46	-	-
	789	-	2,768
Surplus for the year International Students'	11,729	14,394	14,245



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5. Learning Resources

	2018	2018	2017
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	41,639	49,829	52,747
Library resources	423	1,500	1,591
Employee benefits - salaries	1,401,493	1,174,102	1,309,485
Staff development	28,165	29,525	27,718
Minor Equipment & R&M	700	1,700	2,537
	<u>1,472,420</u>	<u>1,256,656</u>	<u>1,394,078</u>

6. Administration

	2018	2018	2017
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Audit Fee	6,108	6,000	5,930
Board of Trustees Fees	3,095	4,050	3,850
Board of Trustees Expenses	4,623	5,850	5,298
Communication	4,260	4,900	5,688
Consumables	17,511	11,700	12,118
Operating Lease	1,266	3,977	19,550
Other	6,954	7,932	8,158
Employee Benefits - Salaries	62,535	66,352	65,431
Insurance	7,118	7,200	258
Service Providers, Contractors and Consultancy	10,308	10,200	10,116
	<u>123,768</u>	<u>128,161</u>	<u>134,397</u>

7. Property

	2018	2018	2017
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	14,128	13,350	18,426
Cyclical Maintenance Expense	9,340	13,240	25,628
Grounds	8,163	8,800	4,387
Heat, Light and Water	11,009	11,500	11,176
Repairs and Maintenance	35,586	19,461	13,090
Use of Land and Buildings	355,642	280,069	347,672
Security	1,826	1,500	1,326
Employee Benefits - Salaries	65,992	55,812	64,789
Contractors And Consultants	7,325	5,695	-
	<u>509,011</u>	<u>409,427</u>	<u>486,494</u>

The use of land and buildings figure represents 8% of the school's total property value. 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

	2018	2018	2017
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Buildings	21,976	21,028	21,618
Building Improvements	1,811	1,740	1,789
Furniture and Equipment	26,291	21,532	22,136
Information and Communication Technology	30,217	26,716	27,466
Leased Assets	11,576	4,577	4,705
Library Resources	546	1,207	1,241
	<u>92,417</u>	<u>76,800</u>	<u>78,955</u>

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9. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Bank Current Account	45,377	124,055	114,280
Bank Call Account	710	126,485	70,998
Cash equivalents for Cash Flow Statement	<u>46,087</u>	<u>250,540</u>	<u>185,278</u>

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

Of the \$46,087 Cash and Cash Equivalents, \$552 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan.

10. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	163	-	818
Receivables from the Ministry of Education	-	2,613	-
Interest Receivable	192	54	22
Teacher Salaries Grant Receivable	95,053	44,613	77,004
	<u>95,408</u>	<u>47,280</u>	<u>77,844</u>
Receivables from Exchange Transactions	355	54	840
Receivables from Non-Exchange Transactions	95,053	47,226	77,004
	<u>95,408</u>	<u>47,280</u>	<u>77,844</u>

11. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Stationery	27	225	173
Uniforms	2,849	2,772	2,001
	<u>2,876</u>	<u>2,997</u>	<u>2,174</u>

12. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	83,610	-	-

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13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2018						
Buildings	470,525	16,476	(5,847)	-	(21,976)	459,178
Building Improvements	27,924	-	-	-	(1,811)	26,112
Furniture and Equipment	168,526	64,446	-	-	(26,291)	206,681
Information and Communication Technology	52,780	16,807	-	-	(30,217)	39,370
Leased Assets	21,159	15,315	-	-	(11,576)	24,898
Library Resources	1,772	-	-	-	(546)	1,226
Balance at 31 December 2018	742,686	113,044	(5,847)	-	(92,417)	757,465

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2018			
Buildings	727,089	(267,911)	459,178
Building Improvements	30,697	(4,585)	26,112
Furniture and Equipment	607,137	(400,456)	206,681
Information and Communication Technology	211,970	(172,600)	39,370
Textbooks	836	(836)	-
Leased Assets	41,979	(17,081)	24,898
Library Resources	59,970	(58,744)	1,226
Balance at 31 December 2018	1,679,678	(922,213)	757,465

	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 and 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 and 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

14. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	11,887	76,633	32,831
Accruals	4,608	3,942	4,448
Capital accruals for PPE items	1,663	-	-
Employee Entitlements - salaries	95,053	44,613	77,004
Employee Entitlements - leave accrual	5,533	8,852	11,235
	<u>118,744</u>	<u>134,040</u>	<u>125,518</u>

Payables for Exchange Transactions	118,744	134,040	125,518
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>118,744</u>	<u>134,040</u>	<u>125,518</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Income Received in Advance	-	-	348
	<u>-</u>	<u>-</u>	<u>348</u>

16. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	77,061	110,203	100,183
Increase to the Provision During the Year	9,340	13,240	25,628
Use of the Provision During the Year	-	-	(48,750)
Provision at the End of the Year	<u>86,401</u>	<u>123,443</u>	<u>77,061</u>
Cyclical Maintenance - Current	38,320	50,657	38,085
Cyclical Maintenance - Term	48,081	72,786	38,976
	<u>86,401</u>	<u>123,443</u>	<u>77,061</u>

17. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	11,874	86	8,004
Later than One Year and no Later than Five Years	16,026	-	12,656
	<u>27,900</u>	<u>86</u>	<u>20,660</u>

18. 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:

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	2018	\$	\$	\$		\$
Block 1 Modernisation	<i>completed</i>	(12,442)	-	(12,442)	-	-
Septic Tank Upgrade	<i>in progress</i>	(1,446)	-	(1,990)	-	544
Security Alarm	<i>completed</i>	(1,648)	449	(1,199)	-	-
Rationalisation of Toilet Block	<i>completed</i>	(1,579)	4,304	2,725	-	-
New Unisex Toilet	<i>in progress</i>	66,915	-	66,907	-	8
Totals		49,800	4,753	64,001	-	552

Represented by:

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

552

-

552

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	2017	\$	\$	\$		\$
Block 1 Modernisation	<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)
Rationalisation of Toilet Block	<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

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.

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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.

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	3,095	3,850
Full-time equivalent members	0.47	0.30
<i>Leadership Team</i>		
Remuneration	650,736	647,707
Full-time equivalent members	6.96	6.89
Total key management personnel remuneration	653,831	651,557
Total full-time equivalent personnel	7.43	7.19

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:

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	120 - 130
Benefits and Other Emoluments	17 - 18	15 - 16
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
100 - 110	-	-
	0.00	0.00

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:

	2018 Actual	2017 Actual
Total	-	-
Number of People	-	-

22. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

23. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2018 (Capital commitments at 31 December 2017: nil).

(b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

(a) operating lease of laptops;

	2018 Actual \$	2017 Actual \$
No later than One Year	-	245
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	245

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:

Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	46,087	250,540	185,278
Receivables	95,408	47,280	77,844
Investments - Term Deposits	83,610	-	-
Total Loans and Receivables	225,105	297,820	263,122

Financial liabilities measured at amortised cost

Payables	118,744	134,040	125,518
Finance Leases	25,881	86	20,660
Total Financial Liabilities Measured at Amortised Cost	144,625	134,126	146,178

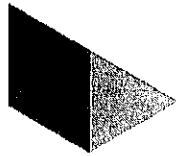
26. Events After Balance Date

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

27. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.

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". 27% of students are identified as "Below".	This is an increase of 1% This is a decrease of 1%.	

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>What happened by the end of 2017:</p> <p>76% of Wainui School learners were 'At' or 'Above' the National Standard for Writing</p> <p>41% of identified Priority Learners shifted from 'Below' to 'At'</p> <p>The identified actions and outcomes are listed below:</p>			
Key Goal for the Orewa Schools CoL.	<p>Yes, it was a key goal of the Orewa Kahui Ako.</p> <p>Data for Years 4 to 8 was presented by the across school leader and in school leaders to our school</p>	No real variance for Wainui School learners as a result of the CoL initiative – first year of the CoL.	Goal continues for 2018.
<p>Professional Development for all staff in writing and assessment programmes (explicit teaching of writing and spelling) with expert facilitator Gaye Byers.</p> <p>Intensive training for all new staff in the Gaye Byers model of teaching and learning in writing.</p>	<p>Professional Development completed for all staff with Gaye Byers - \$14,444</p> <p>Staff capability and confidence in using Learning Progressions, teaching techniques and knowledge of writing increased.</p>	<p>Upskilling was about improving teacher capability and confidence. This occurred.</p> <p>Time needed to consolidate</p>	<p>No further development with Gaye Byers.</p> <p>Move now to incorporate Learning Progressions Framework and new SMS (eTAP - \$4600)</p> <p>AP Literacy to lead further development, aligned to CoL goals.</p> <p>\$2000 for release of staff for mentoring, observation, feedback and feedforward.</p>

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. 			

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2018, the school received total Kiwisport funding of \$3,889.00 (excluding GST). The funding was spent on sporting endeavours.

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF WAINUI SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

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 19, that comprise the statement of financial position as at 31 December 2018, 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 2018; 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 2019. 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.

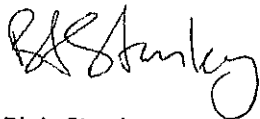
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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.

A handwritten signature in black ink, appearing to read 'Blair Stanley'.

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

