

COLWILL SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address:	Kintara Ave, Massey, Auckland 0614
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COLWILL SCHOOL

Financial Statements - For the year ended 31 December 2017

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Colwill 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.

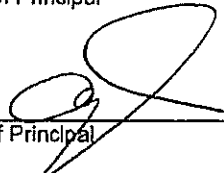
It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.

Sharon Maree Dennis
Full Name of Board Chairperson

Andrew Robert Taylor
Full Name of Principal


Signature of Board Chairperson


Signature of Principal

17 May 2018.
Date:

17 May 2018.
Date:

Colwill School

Members of the Board of Trustees

Name	Position	How position on Board gained	Occupation	Term Expires
Sharon Dennis	Parent Rep	Co-opted	Teacher Aide	May-19
Taikura Flavell	Parent Rep	Elected	Truck Driver	May-17
Gareth Jones	Parent Rep	Elected	Fitter/Welder	Mar-17
Lutila Kalolo	Parent Rep	Elected	Homemaker	May-19
Jacqueline Oades	Staff Rep	Elected	School Secretary	May-19
Maggie Scelly	Chairperson	Elected	Retired	May-19
Elizabeth Tafua	Parent Rep	Elected	Homemaker	May-19
Rob Taylor	Principal	Appointed	Principal	Current
Naomi Billy-Jo Jerome	Parent Rep	Elected	Homemaker	May-19
Eddie Mitchell	Parent Rep	Elected	Driver	May-19

Colwill School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue				
Government Grants	2	2,330,744	1,932,003	2,084,077
Locally Raised Funds	3	90,963	64,000	158,838
Interest Earned		9,123	7,000	8,111
International Students	4	2,751	11,500	11,007
		<u>2,433,581</u>	<u>2,014,503</u>	<u>2,262,033</u>
Expenses				
Locally Raised Funds	3	73,917	63,105	69,671
International Students	4	475	1,500	1,402
Learning Resources	5	1,232,338	1,282,036	1,316,257
Administration	6	176,906	179,085	159,742
Finance		2,614	-	2,763
Property	7	878,175	444,197	556,631
Depreciation	8	67,979	45,000	57,653
Loss on Disposal of Property, Plant and Equipment		1,470	-	506
		<u>2,433,874</u>	<u>2,014,923</u>	<u>2,164,625</u>
Net Surplus / (Deficit) for the year		(293)	(420)	97,408
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(293)</u>	<u>(420)</u>	<u>97,408</u>

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

Colwill 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	<u>544,886</u>	<u>544,886</u>	<u>444,312</u>
Total comprehensive revenue and expense for the year	(293)	(420)	97,408
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	3,166
Equity at 31 December	<u>544,593</u>	<u>544,466</u>	<u>544,886</u>
Retained Earnings	544,593	544,466	544,886
Reserves	-	-	-
Equity at 31 December	<u>544,593</u>	<u>544,466</u>	<u>544,886</u>

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

Colwill School
Statement of Financial Position
As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and Cash Equivalents	9	170,925	86,698	123,929
Accounts Receivable	10	88,485	79,915	79,915
GST Receivable		6,014	1,957	1,957
Prepayments		1,350	4,477	4,477
Inventories	11	1,675	2,467	2,467
Investments	12	152,904	172,228	147,228
		<u>421,354</u>	<u>347,742</u>	<u>359,973</u>
Current Liabilities				
Accounts Payable	14	138,027	106,615	106,615
Revenue Received in Advance	15	17,702	2,174	2,174
Finance Lease Liability - Current Portion	17	11,846	11,810	15,762
Funds held for Capital Works Projects	18	3,706	-	-
		<u>171,281</u>	<u>120,599</u>	<u>124,551</u>
Working Capital Surplus/(Deficit)		250,074	227,143	235,422
Non-current Assets				
Property, Plant and Equipment	13	317,239	334,297	334,296
		<u>317,239</u>	<u>334,297</u>	<u>334,296</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	8,775	7,020	7,020
Finance Lease Liability	17	13,944	9,954	17,812
		<u>22,719</u>	<u>16,974</u>	<u>24,832</u>
Net Assets		<u><u>544,593</u></u>	<u><u>544,466</u></u>	<u><u>544,886</u></u>
Equity		<u><u>544,593</u></u>	<u><u>544,466</u></u>	<u><u>544,886</u></u>

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

Colwill 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		604,146	598,739	613,539
Locally Raised Funds		95,154	64,000	140,880
International Students		2,751	11,500	9,605
Goods and Services Tax (net)		(4,057)	-	1,269
Payments to Employees		(333,078)	(183,323)	(441,088)
Payments to Suppliers		(242,959)	(279,328)	(251,144)
Cyclical Maintenance Payments in the year		(19,672)	(103,603)	-
Interest Paid		(2,614)	-	(2,763)
Interest Received		9,470	7,000	8,274
Net cash from / (to) the Operating Activities		109,141	114,985	78,572
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		3,530	-	-
Purchase of PPE (and Intangibles)		(56,625)	(77,340)	(15,165)
Purchase of Investments		(5,676)	(29,842)	(4,842)
Net cash from / (to) the Investing Activities		(58,771)	(107,182)	(20,007)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	3,166
Finance Lease Payments		(7,080)	(21,764)	(15,762)
Painting contract payments		-	(10,629)	(19,271)
Funds Held for Capital Works Projects		3,706	-	-
Net cash from Financing Activities		(3,375)	(32,393)	(31,867)
Net increase/(decrease) in cash and cash equivalents		46,996	(24,590)	26,698
Cash and cash equivalents at the beginning of the year	9	123,929	111,288	97,231
Cash and cash equivalents at the end of the year	9	170,925	86,698	123,929

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.

Colwill School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

Colwill 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 13.

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.

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

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

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

k) Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

Gains and losses on disposals (*i.e.* sold or given away) are determined by comparing the proceeds received with the carrying amounts (*i.e.* the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

Depreciation

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	40 years
Furniture and equipment	10 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

l) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

m) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

n) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

o) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

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.

p) Revenue Received in Advance

Revenue received in advance relates to fees received from 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.

q) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

r) Financial Assets and Liabilities

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

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

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

s) 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.

t) Budget Figures

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

u) Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

2. Government Grants

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	428,528	446,249	434,564
Teachers' salaries grants	1,034,235	1,056,636	990,514
Use of Land and Buildings grants	687,390	277,048	480,024
Resource teachers learning and behaviour grants	41,311	-	-
Other MoE Grants	127,855	123,798	150,518
Other government grants	11,425	28,272	28,457
	<u>2,330,744</u>	<u>1,932,003</u>	<u>2,084,077</u>

3. Locally Raised Funds

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	37,569	25,200	9,659
Fundraising	19,452	12,400	104,567
Other revenue	4,746	-	4,746
Trading	21,991	22,500	32,001
Activities	7,205	3,900	7,865
	<u>90,963</u>	<u>64,000</u>	<u>158,838</u>
Expenses			
Activities	11,424	6,600	8,252
Trading	9,641	9,500	15,347
Fundraising (costs of raising funds)	1,230	1,500	679
Other Locally Raised Funds Expenditure	51,622	45,505	45,393
	<u>73,917</u>	<u>63,105</u>	<u>69,671</u>
<i>Surplus for the year Locally raised funds</i>	<u>17,046</u>	<u>895</u>	<u>89,167</u>

4. International Student Revenue and Expenses

	2017	2017	2016
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	1	1	1
	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
International student fees	2,751	11,500	11,007
Expenses			
International student levy	103	500	354
Other Expenses	372	1,000	1,048
	475	1,500	1,402
<i>Surplus for the year International Students'</i>	<u>2,276</u>	<u>10,000</u>	<u>9,605</u>

5. Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	24,961	33,869	28,164
Equipment repairs	-	-	344
Information and communication technology	-	1,250	-
Library resources	851	1,930	856
Employee benefits - salaries	1,196,969	1,235,487	1,277,653
Staff development	9,557	9,500	9,240
	1,232,338	1,282,036	1,316,257

6. Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,210	6,220	6,020
Board of Trustees Fees	2,820	3,240	3,740
Board of Trustees Expenses	26,918	22,980	9,744
Communication	4,738	4,750	5,541
Consumables	9,774	11,956	9,503
Operating Lease	-	10,300	1,059
Other	18,182	14,650	7,181
Employee Benefits - Salaries	97,000	93,949	106,697
Insurance	2,357	2,540	2,457
Service Providers, Contractors and Consultancy	8,907	8,500	7,800
	176,906	179,085	159,742

7. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	14,910	12,500	13,848
Cyclical Maintenance Expense	21,427	21,500	(73,461)
Grounds	11,835	11,100	19,233
Heat, Light and Water	52,533	37,000	43,563
Rates	-	100	-
Repairs and Maintenance	18,299	13,500	9,444
Use of Land and Buildings	687,390	277,048	480,024
Security	7,633	5,449	6,179
Employee Benefits - Salaries	64,148	66,000	57,801
	<u>878,175</u>	<u>444,197</u>	<u>556,631</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)	\$
Building Improvements	3,156	2,090	3,156
Furniture and Equipment	37,103	24,561	30,889
Information and Communication Technology	13,560	8,976	8,754
Leased Assets	12,659	8,380	13,105
Library Resources	1,501	993	1,749
	<u>67,979</u>	<u>45,000</u>	<u>57,653</u>

9. Cash and Cash Equivalents

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	250	-	-
Bank Current Account	169,944	35,968	123,199
Bank Call Account	731	50,730	730
Cash equivalents and bank overdraft for Cash Flow Statement	<u>170,925</u>	<u>86,698</u>	<u>123,929</u>

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

10. Accounts Receivable

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Receivables	25,155	13,819	13,819
Receivables from the Ministry of Education	4,973	-	-
Interest Receivable	166	513	513
Teacher Salaries Grant Receivable	58,191	65,583	65,583
	<u>88,485</u>	<u>79,915</u>	<u>79,915</u>
Receivables from Exchange Transactions	25,321	14,332	14,332
Receivables from Non-Exchange Transactions	63,164	65,583	65,583
	<u>88,485</u>	<u>79,915</u>	<u>79,915</u>

11. Inventories

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
School Uniforms	1,675	2,467	2,467
	<u>1,675</u>	<u>2,467</u>	<u>2,467</u>

12. Investments

The School's investment activities are classified as follows:

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	152,904	172,228	147,228
Non-current Asset			
Long-term Bank Deposits	-	-	-

13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building Improvements	117,840	-	-	-	(3,156)	114,684
Furniture and Equipment	145,189	2,522	-	-	(37,103)	110,608
Information and Communication Technology	26,798	42,215	-	-	(13,560)	55,453
Leased Assets	32,229	13,680	(7,261)	-	(12,659)	25,989
Library Resources	12,240	-	(234)	-	(1,501)	10,505
Balance at 31 December 2017	334,296	58,417	(7,495)	-	(67,979)	317,239

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building Improvements	126,254	(11,570)	114,684
Furniture and Equipment	387,870	(277,262)	110,608
Information and Communication Technology	155,409	(99,956)	55,453
Leased Assets	47,450	(21,462)	25,988
Library Resources	69,495	(58,989)	10,506
Balance at 31 December 2017	786,478	(469,239)	317,239

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Building Improvements	120,996	-	-	-	(3,156)	117,840
Furniture and Equipment	171,277	4,800	-	-	(30,888)	145,189
Information and Communication Technology	25,189	10,365	-	-	(8,756)	26,798
Leased Assets	-	48,153	-	-	(15,924)	32,229
Library Resources	14,494	-	(506)	-	(1,748)	12,240
Balance at 31 December 2016	331,956	63,318	(506)	-	(60,472)	334,296

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Building Improvements	126,254	(8,414)	117,840
Furniture and Equipment	385,348	(240,159)	145,189
Information and Communication Technology	113,194	(86,396)	26,798
Leased Assets	48,153	(15,924)	32,229
Library Resources	70,847	(58,607)	12,240
Balance at 31 December 2016	743,796	(409,500)	334,296

14. Accounts Payable

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operating creditors	49,342	1,433	1,433
Accruals	6,210	6,120	6,120
Employee Entitlements - salaries	72,064	78,701	78,701
Employee Entitlements - leave accrual	10,412	20,361	20,361
	<u>138,027</u>	<u>106,615</u>	<u>106,615</u>
Payables for Exchange Transactions	138,027	106,615	106,615
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>138,027</u>	<u>106,615</u>	<u>106,615</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Other	17,702	2,174	2,174
	<u>17,702</u>	<u>2,174</u>	<u>2,174</u>

16. Provision for Cyclical Maintenance

	2017	2017	2016
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	7,020	7,020	89,123
Increase to the Provision During the Year	1,755	21,500	(73,461)
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	(21,500)	(8,642)
Provision at the End of the Year	<u>8,775</u>	<u>7,020</u>	<u>7,020</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	8,775	7,020	7,020
	<u>8,775</u>	<u>7,020</u>	<u>7,020</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:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	11,846	11,810	15,762
Later than One Year and no Later than Five Years	13,944	9,954	17,812
Later than Five Years	-	-	-
	<u>25,791</u>	<u>21,764</u>	<u>33,574</u>

18. Funds Held for Capital Works Projects

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

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Water Damage project	<i>completed</i>	-	19,634	15,928	-	3,706
Totals		<u>-</u>	<u>19,634</u>	<u>15,928</u>	<u>-</u>	<u>3,706</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	3,706
Funds Due from the Ministry of Education	-
	<u>3,706</u>

19. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

20. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy Principals and Heads of Departments.

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	2,820	3,740
Full-time equivalent members	0.14	0.20
<i>Leadership Team</i>		
Remuneration	314,508	287,926
Full-time equivalent members	3	3
Total key management personnel remuneration	317,328	291,666
Total full-time equivalent personnel	3.14	3.20

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	130 - 140	130 - 140
Benefits and Other Emoluments	-	0 - 1
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
nil	-	-
	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:

	2017 Actual	2016 Actual
Total	\$15,000	\$8,000
Number of People	1	1

22. Contingencies

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

23. Commitments

(a) Capital Commitments

As at 31 December 2017 the Board has entered into no contract agreements for capital works.

(Capital commitments at 31 December 2016: nil)

(b) Operating Commitments

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

	2017 Actual \$	2016 Actual \$
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>-</u>	<u>-</u>

24. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

25. Financial Instruments

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

Loans and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	170,925	86,698	123,929
Receivables	88,485	79,915	79,915
Investments - Term Deposits	152,904	172,228	147,228
Total Loans and Receivables	<u>412,315</u>	<u>338,841</u>	<u>351,072</u>

Financial liabilities measured at amortised cost

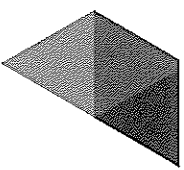
Payables	138,027	106,615	106,615
Borrowings - Loans	-	-	-
Finance Leases	25,791	21,764	33,574
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>163,818</u>	<u>128,379</u>	<u>140,189</u>

26. Events After Balance Date

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

KiwiSport Note

Kiwisport funding (\$3,152.72 excluding GST) has enabled the Board to provide all children with opportunity to participate in interschool sports activities locally across Auckland and to supplement consumable sports equipment.



Analysis of Variance Reporting

School Name:	Colwill School Massey	School Number:	1254
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Strategic Aim:	All students are able to access the New Zealand Curriculum as evidenced by achievement in relation to National Standards
Annual Aim:	To increase the number of students achieving at or above the National Standard for Mathematics
Target:	<ol style="list-style-type: none"> By the end of 2017 (and the 80 week assessment) all Year 2 students who are below will make more than one year of progress and be at or above the standard By the end of 2017 (and the 80 week assessment) all Year 4 students who are below will make more than one year of progress and be at or above the standard By the end of 2017 (and the 80 week assessment) all Year 5 students who are below will make more than one year of progress and be at or above the standard By the end of 2017 (and the 80 week assessment) all Year 6 students who are below will make more than one year of progress and be at or above the standard By the end of 2017 (and the 80 week assessment) all Year 7 students who are below will make more than one year of progress and be at or above the standard
Baseline Data:	<p>Baseline data: Analysis of school wide data for 2016 in mathematics identified particular concern in the following areas, year 2,4,5,6,7.</p> <p>School data showed that 48% of students were at or above in mathematics. However in the target year levels the percentages of students below or well below standard were as follows:</p> <p>Year 2 -73.3% below or well below Year 4 -54.6% below or well below</p>

Year 5 -56.5% below or well below
Year 6 -57.1% below or well below
Year 7 -61.6% below or well below

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>Continued to implement DMIC school wide which meant that year 0-2 teachers were training. There were 2 release days for junior teachers to attend workshops around implementing DMIC. This was followed up by mentoring within the classroom by our DMIC provider once or twice a term depending on identified needs.</p> <p>MST (Maths Specialist Teacher) Provided external support (withdrawal groups) for groups of students identified as below or well below in maths.</p>	<p>Year 2 – 2016 73.3% below or well below 2017 50% below or well below</p> <p>Year 4 – 2016 54.6% below or well below 2017 54.6% below or well below</p> <p>Year 5 – 2016 56.5% below or well below 2017 58.6% below or well below</p> <p>Year 6 – 2016 57.1% below or well below 2017 39.1% below or well below</p> <p>Year 7 – 2016 61.6% below or well below 2017 45.8% below or well below</p> <p>Our year 2,6,7 student percentages for students below or well below have decreased. This indicates that progress was maintained or accelerated in mathematics for these year groups. Therefore we did achieve our target.</p> <p>Our year 4,5 student percentages for below and well below have stayed the same or increased therefore we did not achieve our</p>	<p>In year 1 and 2 the DMIC programme is becoming embedded in teacher practice and therefore we are beginning to see a raise on achievement in these areas.</p> <p>The MST programme was targeting years 5-8 however was only able to take on 12 students in the withdrawal time and was therefore unable to gain full coverage of the students in need.</p> <p>Due to a shortage of teaching staff available we had to take on staff that were unable to make a difference in student learning where skilled teaching is required.</p>	<p>We have been allocated hours for DMIC to continue in the school. This is to change format and have our team leaders getting PD on how to be coaches and they will be running the DMIC programme within the school including in class support.</p> <p>We have also found a correlation between increased art, music and cultural practices having a positive effect on student achievement. This will also be a focus for our teaching as inquiry this year.</p> <p>To ensure those students who need extra help in mathematics are able to access it we are running the ALLIM programme.</p>

target in these areas.

Planning for next year:

Apply for DMIC hours for PD and in class support for existing staff and new teachers.
Team Leaders will be in school DMIC coaches and do observations on and support staff in implementing this programme
ALLM will continue to be implemented with a focus on below students.

Independent Auditor's Report

To the readers of Colwill School's Financial statements For the year ended 31 December 2017

The Auditor-General is the auditor of Colwill School (the School). The Auditor-General has appointed me, Jason Stinchcombe, using the staff and resources of RSM Hayes Audit, 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 3 to 21, 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 30 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 of 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 includes the statement of responsibility, board member list, analysis of variance and kiwisport report, 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 Colwill School.

A handwritten signature in blue ink, appearing to read 'Jason Stinchcombe'.

Jason Stinchcombe
RSM Hayes Audit
On behalf of the Auditor-General
Auckland, New Zealand