

Pokeno Primary School

Financial Statements for the year ended 31 December 2017

School Address:	54 Pokeno Road, Pokeno
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Ministry Number:	1442

Pokeno Primary School

Financial Statements

For the year ended 31 December 2017

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**Pokeno Primary 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.

Brian Houghton

Full Name of Board Chairperson

Blair Johnston

Full Name of Principal

AJM

Signature of Board Chairperson

[Handwritten Signature]

Signature of Principal

30/5/2018

Date:

30/5/2018

Date:

Pokeno Primary 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	1,567,196	1,097,074	1,401,095
Locally Raised Funds	3	78,225	31,900	98,265
Interest Earned		3,951	2,500	3,360
		<hr/>	<hr/>	<hr/>
		1,649,372	1,131,474	1,502,720
Expenses				
Locally Raised Funds	3	21,647	13,070	39,866
Learning Resources	4	910,978	678,678	888,583
Administration	5	88,879	96,265	94,289
Finance Costs		4,621	-	5,195
Property	6	509,189	312,006	450,713
Depreciation	7	51,593	25,000	52,955
Loss on Disposal of Property, Plant and Equipment		359	-	305
		<hr/>	<hr/>	<hr/>
		1,587,266	1,125,019	1,531,906
Net Surplus / (Deficit)		62,106	6,455	(29,186)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		62,106	6,455	(29,186)

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

Pokeno Primary School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2017

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Balance at 1 January	332,719	332,719	360,186
Total comprehensive revenue and expense for the year	62,106	6,455	(29,186)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	19,500	-	1,719
Equity at 31 December	414,325	339,174	332,719
Retained Earnings	414,325	339,174	332,719
Equity at 31 December	414,325	339,174	332,719

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

Pokeno Primary School
Statement of Financial Position

As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and Cash Equivalents	8	45,150	27,618	152,910
Accounts Receivable	9	53,520	42,450	40,623
GST Receivable		1,088	6,000	6,021
Prepayments		4,453	3,600	3,656
Inventories	10	-	1,500	1,303
Investments	11	123,342	120,000	-
		<u>227,553</u>	<u>201,168</u>	<u>204,513</u>
Current Liabilities				
Accounts Payable	13	77,293	131,200	133,110
Borrowings - Due in one year	14	-	-	(113)
Revenue Received in Advance	15	-	100	18
Painting Contract Liability - Current Portion	17	11,602	11,602	11,602
Finance Lease Liability - Current Portion	18	14,456	11,751	11,751
Funds Held for Capital Works Projects	19	16,904	1,600	1,604
		<u>120,255</u>	<u>156,253</u>	<u>157,972</u>
Working Capital Surplus/(Deficit)		107,298	44,915	46,541
Non-current Assets				
Property, Plant and Equipment	12	371,751	362,389	362,389
		<u>371,751</u>	<u>362,389</u>	<u>362,389</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	21,336	21,336	10,668
Painting Contract Liability	17	13,985	18,626	25,624
Finance Lease Liability	18	29,404	28,168	39,919
		<u>64,725</u>	<u>68,130</u>	<u>76,211</u>
Net Assets		<u>414,325</u>	<u>339,174</u>	<u>332,719</u>
Equity		<u>414,325</u>	<u>339,174</u>	<u>332,719</u>

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

Pokeno Primary School

Statement of Cash Flows

For the year ended 31 December 2017

	2017	2017 Budget	2016
Note	Actual \$	(Unaudited) \$	Actual \$
Cash flows from Operating Activities			
Government Grants	263,284	280,960	257,657
Locally Raised Funds	77,728	29,700	96,807
Goods and Services Tax (net)	4,933	(6,000)	(2,322)
Payments to Employees	(115,574)	(25,300)	(100,638)
Payments to Suppliers	(168,268)	(151,169)	(188,396)
Interest Paid	(4,621)	-	(5,195)
Interest Received	3,951	2,350	3,751
Net cash from / (to) the Operating Activities	61,433	130,541	61,664
Cash flows from Investing Activities			
Proceeds from Sale of PPE (and Intangibles)	(359)	-	(304)
Purchase of PPE (and Intangibles)	(56,324)	(384,499)	(28,985)
Purchase of Investments	(123,342)	-	-
Proceeds from Sale of Investments	(1)	-	-
Net cash from / (to) the Investing Activities	(180,026)	(384,499)	(29,289)
Cash flows from Financing Activities			
Furniture and Equipment Grant	19,500	-	1,719
Finance Lease Payments	(12,441)	37,029	(10,710)
Painting contract payments	(11,639)	30,228	(8,131)
Loans Received/ Repayment of Loans	113	-	(2,000)
Funds Administered on Behalf of Third Parties	-	-	(1,084)
Funds Held for Capital Works Projects	15,300	1,600	-
Net cash from / (to) Financing Activities	10,833	68,857	(20,206)
Net increase/(decrease) in cash and cash equivalents	(107,760)	(185,101)	12,169
Cash and cash equivalents at the beginning of the year	8 152,910	332,719	140,741
Cash and cash equivalents at the end of the year	8 45,150	147,618	152,910

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 omitted.

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

Pokeno Primary School

Notes to the Financial Statements

For the year ended 31 December 2017

1. Statement of Accounting Policies

Reporting Entity

Pokeno Primary 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.

Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Pokeno Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

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 18.

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.

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.

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.

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.

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.

Pokeno Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

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.

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.

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.

Investments

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

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

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

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

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.

Pokeno Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

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:

Buildings - School	20 years
Furniture and equipment	5-10 years
Information and communication technology	5-10 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

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.

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.

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.

Pokeno Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

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.

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).

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.

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.

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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

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

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.

Pokeno Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

2 Government Grants

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational grants	282,865	280,960	270,805
Teachers' salaries grants	797,542	589,578	724,451
Use of Land and Buildings grants	422,571	226,536	369,849
Other MoE Grants	64,218	-	35,990
	1,567,196	1,097,074	1,401,095

3 Locally Raised Funds

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
Donations	22,160	15,000	31,837
Fundraising	28,273	3,800	34,729
Trading	24,961	10,600	24,689
Activities	2,831	2,500	7,010
	78,225	31,900	98,265
Expenses			
Activities	4,706	2,920	7,041
Trading	16,378	10,150	7,897
Fundraising (costs of raising funds)	563	-	24,928
	21,647	13,070	39,866
<i>Surplus for the year Locally Raised Funds</i>	56,578	18,830	58,399

4 Learning Resources

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Curricular	13,094	10,400	12,760
Equipment repairs	979	500	1,338
Information and communication technology	5,825	3,500	3,139
Extra-curricular activities	371	1,000	-
Library resources	-	100	-
Employee benefits - salaries	883,461	650,178	862,131
Resource/attached teacher costs	-	-	1,135
Staff development	7,248	13,000	8,080
	910,978	678,678	888,583

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

5 Administration

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Audit Fee	6,668	3,000	5,820
Board of Trustees Fees	3,251	3,300	2,048
Board of Trustees Expenses	281	2,000	1,958
Communication	4,129	3,500	3,307
Consumables	13,136	13,500	12,766
Operating Lease	5,225	13,665	6,038
Postage	178	300	-
Other	13,582	12,000	17,240
Employee Benefits - Salaries	32,232	35,500	36,812
Insurance	4,137	3,500	2,192
Service Providers, Contractors and Consultancy	6,060	6,000	6,108
	<u>88,879</u>	<u>96,265</u>	<u>94,289</u>

6 Property

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Caretaking and Cleaning Consumables	7,789	8,200	7,974
Consultancy and Contract Services	21,786	25,000	28,296
Cyclical Maintenance Provision	10,332	22,270	13,656
Grounds	3,252	4,500	3,482
Heat, Light and Water	18,630	12,000	13,102
Rates	1,314	300	292
Repairs and Maintenance	12,435	4,000	4,744
Use of Land and Buildings	422,571	226,536	369,848
Employee Benefits - Salaries	11,080	9,200	9,319
	<u>509,189</u>	<u>312,006</u>	<u>450,713</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.

7 Depreciation of Property, Plant and Equipment

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Buildings - School	20,745	10,310	20,745
Furniture and Equipment	11,208	5,295	12,870
Information and Communication Technology	16,819	8,795	18,199
Leased Assets	1,568	480	1,043
Library Resources	1,253	120	98
	<u>51,593</u>	<u>25,000</u>	<u>52,955</u>

Pokeno Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

8 Cash and Cash Equivalents

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Bank Current Account	12,086	27,618	51,174
Bank Call Account	33,064	-	30
Short-term Bank Deposits	-	-	101,706
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>45,150</u>	<u>27,618</u>	<u>152,910</u>

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

Of the \$45,150 Cash and Cash Equivalents, \$16,904 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2018 on Crown owned school buildings under the School's Five Year Property Plan.

9 Accounts Receivable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Receivables	2,843	2,300	2,364
Interest Receivable	145	150	145
Teacher Salaries Grant Receivable	50,532	40,000	38,114
	<u>53,520</u>	<u>42,450</u>	<u>40,623</u>
Receivables from Exchange Transactions	2,988	2,450	2,509
Receivables from Non-Exchange Transactions	50,532	40,000	38,114
	<u>53,520</u>	<u>42,450</u>	<u>40,623</u>

10 Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Stationery	-	1,500	1,303
	<u>-</u>	<u>1,500</u>	<u>1,303</u>

11 Investments

The School's investment activities are classified as follows:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Asset			
Short-term Bank Deposits	123,342	120,000	-
Non-current Asset			
Long-term Bank Deposits	-	-	-
	<u>123,342</u>	<u>120,000</u>	<u>-</u>

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2017.

Pokeno Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Buildings	249,366	-	-	-	(20,745)	228,621
Furniture and equipment	48,394	42,067	-	-	(11,208)	79,253
Information and communication technology	55,015	11,999	-	-	(16,819)	50,195
Leased assets	1,847	4,631	-	-	(1,568)	4,910
Library resources	7,767	2,617	(359)	-	(1,253)	8,772
Balance at 31 December 2017	362,389	61,314	(359)	-	(51,593)	371,751

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Buildings	416,586	(187,965)	228,621
Furniture and equipment	233,395	(154,142)	79,253
Information and communication technology	129,446	(79,251)	50,195
Leased assets	7,521	(2,611)	4,910
Library resources	21,721	(12,949)	8,772
Balance at 31 December 2017	808,669	(436,918)	371,751

The net carrying value of equipment held under a finance lease is \$4,910 (2016: \$1,847).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Buildings	270,111	-	-	-	(20,745)	249,366
Furniture and equipment	35,296	26,275	(307)	-	(12,870)	48,394
Information and communication technology	70,920	2,294	-	-	(18,199)	55,015
Leased assets	-	2,890	-	-	(1,043)	1,847
Library resources	7,142	723	-	-	(98)	7,767
Balance at 31 December 2016	383,469	32,182	(307)	-	(52,955)	362,389

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Buildings	416,586	(167,220)	249,366
Furniture and equipment	191,329	(142,934)	48,394
Information and communication technology	117,447	(62,432)	55,015
Leased assets	2,890	(1,043)	1,847
Library resources	20,030	(12,264)	7,767
Balance at 31 December 2016	748,282	(385,893)	362,389

Pokeno Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

13 Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	7,094	3,000	2,990
Accruals	6,010	8,200	8,207
Banking staffing overuse	12,314	80,000	83,799
Employee Entitlements - salaries	50,968	40,000	38,114
Employee Entitlements - leave accrual	907	-	-
	<u>77,293</u>	<u>131,200</u>	<u>133,110</u>
Payables for Exchange Transactions	<u>77,293</u>	<u>131,200</u>	<u>133,110</u>
	<u>77,293</u>	<u>131,200</u>	<u>133,110</u>

The carrying value of payables approximates their fair value.

14 Borrowings

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Due in One Year	-	-	(113)
	<u>-</u>	<u>-</u>	<u>(113)</u>

The school has no borrowings at 31 December 2017. (31 December 2016 overpaid \$113). This loan was with Franklin District Council. The loan is unsecured, interest free per annum and the term finished at the end of 2016.

15 Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Other	-	100	18
	<u>-</u>	<u>100</u>	<u>18</u>

16 Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	10,668	10,668	-
Increase to the Provision During the Year	10,332	22,270	13,656
Use of the Provision During the Year	336	(11,602)	(2,988)
Provision at the End of the Year	<u>21,336</u>	<u>21,336</u>	<u>10,668</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	<u>21,336</u>	<u>21,336</u>	<u>10,668</u>
	<u>21,336</u>	<u>21,336</u>	<u>10,668</u>

Pokeno Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

17 Painting Contract Liability

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Liability	11,602	11,602	11,602
Non Current Liability	13,985	18,626	25,624
	25,587	30,228	37,226

In 2007 the Board signed an agreement with Programmed Property Services (the contractor) for an agreed programme of work covering an eight year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2008, with regular maintenance in subsequent years. The agreement has an annual commitment of \$11,120. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

18 Finance Lease Liability

The school has entered into a number of finance lease agreements for laptops and computer equipments.
Minimum lease payments payable (includes interest portion):

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	17,686	-	11,751
Later than One Year and no Later than Five Years	31,831	-	39,919
	49,517	-	51,670

19 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:

		BOT Contribution/ (Write-off to R&M)				Closing Balances \$
2017		Opening Balances \$	Receipts from MoE \$	Payments \$		
Stormwater Drainage	<i>Completed</i>	1,940	-	-	-	1,940
Carpet Replacement	<i>in progress</i>	-	15,300	-	-	15,300
Toilet Upgrade	<i>Completed</i>	(336)	-	-	-	(336)
Totals		1,604	15,300	-	-	16,904

Represented by:

Funds Held on Behalf of the Ministry of Education	16,904
	16,904

		BOT Contribution/ (Write-off to R&M)				Closing Balances \$
2016		Opening Balances \$	Receipts from MoE \$	Payments \$		
Stormwater Drainage	<i>completed</i>	1,940	-	-	-	1,940
Toilet Upgrade	<i>completed</i>	748	-	1,084	-	(336)
Totals		2,688	-	1,084	-	1,604



Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

20 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.

21 Remuneration

Key management personnel compensation

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	3,251	2,048
Full-time equivalent members	0.24	0.03
<i>Leadership Team</i>		
Remuneration	226,218	217,856
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	229,469	219,904
Total full-time equivalent personnel	2.24	2.03

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120-130	120-130
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Other Employees

No other employee received total remuneration over \$100,000 (2016: Nil).

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

22 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

Pokeno Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

23 Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2017.

(Contingent liabilities and assets as at 31 December 2016: nil)

24 Commitments

(a) Capital Commitments

The Board considers there to be no contractual commitments at the above date other than those disclosed in the preceding financial statements and detailed below.

(Capital commitments as at 31 December 2016: nil)

(b) Operating Commitments

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

- operating lease for two existing leases

	2017 Actual \$	2016 Actual \$
No later than One Year	2,500	4,938
Later than One Year and No Later than Five Years	-	2,500
	<u>2,500</u>	<u>7,438</u>

25 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.

26 Financial Instruments

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Loans and receivables			
Cash and Cash Equivalents	45,150	27,618	152,910
Receivables	53,520	42,450	40,623
Investments - Term Deposits	123,342	120,000	-
Total Loans and Receivables	<u>222,012</u>	<u>190,068</u>	<u>193,533</u>
Financial liabilities measured at amortised cost			
Payables	77,293	131,200	133,310
Borrowings - Loans	-	-	(113)
Finance Leases	43,860	39,919	51,670
Painting Contract Liability	25,587	30,228	37,226
Total Financial Liabilities Measured at Amortised Cost	<u>146,740</u>	<u>201,347</u>	<u>222,093</u>

27 Events After Balance Date

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

POKENO
FOR THE YEAR ENDED 31 DECEMBER 2017

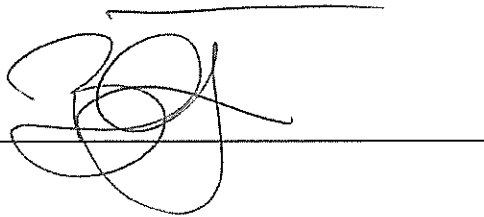
Name	Position	How position on Board gained	Occupation	Term expires
Blair Johnston	Principal		Principal	2019
Jennifer Miller	Parent Representative	Elected	Lecturer	2019
Cindy Young	Parent Representative	Elected	Manager ECE	2019
Bevan Houghton	Chairman	Elected	PGWrightson Rep	2019
Shane Harrod	Parent Representative	Elected	Prison Guard	2019
Kim Laulala	Parent Representative	Elected	Police Officer	2019
Karen Houghton	Staff Representative	Elected	Teacher	2019

Kiwisport Note 2017

School: Pokeno

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2017, the school received total Kiwisport funding of \$2,493.16 (excluding GST). The funding was spent on *transporting the children to various sporting events*.

Signed by Principal



Pokeno School 2017 Analysis of Variance - Reading

Annual Aims:

- The NZ Curriculum will be used effectively to support improvement in student outcomes in Numeracy and Literacy.
- All students, including Maori and Pasifika, will be engaged in their learning and achieving educational success.
- Priority learners will be identified and supported in their learning so that they can progress in relation to the New Zealand Curriculum.

Baseline Data:

- Data from our 2016 end of year assessments indicate that 26 students are 'Below' and 21 are 'Well Below' in relation to the National Standards in Reading.

2017 Target:

To accelerate the progress of at least 20 of the students from the 'below' category (most of whom are boys), to 'at' or 'above' the National Standard by the end of the year.

To accelerate the progress of at least 15 of the students from the 'well below' category (most of whom are boys), to 'below' or 'at' the National Standard by the end of the year.

Key Strategies to Achieve Targets:

- Teachers to support priority learners through target groups and the development of Raising Achievement Plans
- Provide PLD opportunities in 'Curriculum & Assessment' meetings
- Teacher aide support – in class / priority learners
- Increased opportunities for home-school partnerships
- Reading Together programme, targeting families of priority learners
- Reading Eggs to be available to all students/families
- Monitoring of attendance for priority learners

Actual Outcomes:

The target was to accelerate the progress of at least 20 of the 26 students (76%) from the 'below' category to 'at' or 'above' the National Standard by the end of the year. At the end of 2017 there were 17 students remaining from our initial target group. Of these 17 students 10 (59%) made accelerated progress, 4 remained 'below' and three are now 'well below'.

The second part of our target was to accelerate the progress of at least 15 of the 21 students from 'well below' to below. At the end of 2017 there were 16 students remaining from our initial target group. Of these 16 students 3 were 'below', 6 were 'at' and 3 were 'above' - in total 12 students made accelerated progress. The remaining four students were still 'well below' the expected National Standard.

The number of learners identified as 'Below' or 'Well Below' in relation to the National Standard in Reading was 28.4%. The disparity between Maori (67.3%) and European (74.1%) learners achieving 'At' or 'Above' in relation to the National Standard in Reading has been significantly reduced to 6.8%. The disparity between boys (66.7%) achieving 'At' or 'Above' in relation to the National Standard in Reading and girls (75%) has also been reduced in 2017.

Variance:

The four learners who have remained 'below' the expected National Standard are all being tracked by the SENCo for learning differences (i.e. dyslexia) or are receiving RTLit or RTLB support. Of the three learners who are now 'well below' we suspect two have a learning difference and the third learner we had issues with attendance and were all known to the SENCo.

Two of the four learners who have remained 'well below' the expected National Standard are known to the SENCo for having added learning needs (ESOL & possible dyslexia). One of the students made incredible progress to be 'at' by the end of the year but due to the timing of his judgment was classified as 'well below'.

Teachers and senior leaders have identified the following as being significant contributors to the improved reading results and for reducing disparity:

- tracking target learners and teacher inquiries to accelerate learning;
- analysing data from tracking sheets twice a term at staff meetings and at a Board level to identify priorities for improvement;
- monitoring actions in tracking sheets and in weekly planning to evaluate impact;
- mid term report presented to the teachers and board about the progress towards our goal and the impact of actions take.
- PLD opportunities (Reading Eggs, RTLit, Rainbow Reading, Assessment for Learning, Vision Education (PRTs));
- In class teacher aide support for teachers to work with target learners;
- Increased opportunities for home-school partnerships (Coffee & Chat, Reading Together, Target Learner meetings).

Pokeno School 2017 Analysis of Variance - Writing

Annual Aims:

- The NZ Curriculum will be used effectively to support improvement in student outcomes in Numeracy and Literacy.
- All students, including Maori and Pasifika, will be engaged in their learning and achieving educational success.
- Priority learners will be identified and supported in their learning so that they can progress in relation to the New Zealand Curriculum.

Baseline Data:

- Data from our 2016 end of year assessments indicate that 30 students are 'Below' and 17 are 'Well Below' in relation to the National Standards in Writing.

2017 Target:

- To accelerate the progress of at least 18 of the students from the 'below' category, to 'at' or 'above' the National Standard by the end of the year.
- To accelerate the progress of at least 9 of the students from the 'well below' category, to 'below' or 'at' the National Standard by the end of the year.

Key Strategies to Achieve Targets:

- Teachers to support priority learners through target groups and the development of Raising Achievement Plans
- Provide PLD opportunities in 'Curriculum & Assessment' meetings
- Engagement in Year Two of ALL (Accelerating Learning in Literacy)
- Moderation of assessment tools
- Provide opportunities for shared writing and writing for a purpose
- Teacher aide support – in class / priority learners
- Increased opportunities for home-school partnerships, targeting families of priority learners
- Monitoring of attendance for priority learners

Actual Outcomes:

The target was to accelerate the progress of at least 18 of the 30 learners (60%) from the 'below' category to 'at' or 'above' the National Standard by the end of the year. At the end of 2017 there were 24 learners remaining who had been 'below' in 2016.

Of these 24:

- 13 (54%) made accelerated progress to be 'at' or 'above' the expected National Standard. Proportionally this is below our target;
- 9 learners remained 'below'; and
- 2 learners are now 'well below'.

The second part of our target was to accelerate the progress of at least 9 of the 17 learners (53%) from the 'well below' category to 'below' or 'at' the National Standard by the end of the year. At the end of 2017 there were 15 learners remaining who had been 'well below' in 2016'.

Of these 16:

- 6 (40%) made accelerated progress to be 'below' or 'at' the expected National Standard. Proportionally speaking we have not met our target for these learners;
- 9 learners remained 'well below'.

Variance:

Eight of the nine learners who have remained 'below' the expected National Standard have all had some form of Tier 2 or Tier 3 intervention (RTLit, RTLB, ESOL, TA Support) for learning. Two of these learners did not return to Pokeno this year but the remaining learners are all being tracked by the SENCo to monitor current supports. The two learners who are now 'well below' we suspect two have a learning difference (dyslexia) both are known to the SENCo.

The nine students who remained in 'well below' have all had some form of Tier 2 or Tier 3 intervention. 4 of these students have transitioned to secondary schools, 1 has RTLB support to investigate APD, 1 student is autistic, 2 students had RTLit support in 2016 and the remaining student has had TA support for learning.

Teachers have identified specific teaching around sentence construction and for learners to given support to know how to generate ideas for their written work. There is still a concern about the number of students who are presenting with the need for Tier 3 interventions and support.